

Department of City Development
City Plan Commission
Redevelopment Authority of the City of Milwaukee
Neighborhood Improvement Development Corporation

Rocky Marcoux Commissioner rmarco@milwaukee.gov

Martha L. Brown Deputy Commissioner mbrown@milwaukee.gov

January 22, 2014

Environmental Management Support, Inc. Attn: Mr. Don West 8601 Georgia Ave., St. 500 Silver Spring, MD 20910 Phone 301-589-5318

Dear Mr. West:

Re: RACM's Application for an EPA Brownfields Revolving Loan Fund

The Redevelopment Authority of the City of Milwaukee (RACM) is applying for a \$1,000,000 EPA Brownfields Revolving Loan Fund (RLF) grant to recapitalize its RLF Program which is used to clean up hazardous substances throughout the City of Milwaukee. Milwaukee is Wisconsin's largest city and it faces enormous economic challenges. The city of Milwaukee's poverty rate is now the 4th worst in the nation (Source: 2010 U.S. Census data). The target areas for cleanup loan funds face even more severe challenges than the city as a whole. Built on a foundation of robust industrial activity, these areas have seen a decline in their traditional manufacturing base as companies have outsourced internationally or moved to suburban industrial parks. This has left a legacy of vacant and underutilized brownfield properties. RACM has a strong track record of being able to transform brownfields into measurable redevelopment projects. An additional \$1 million in RLF loan funds will add resources to those that RACM has already committed to the important effort of transforming abandoned, vacant brownfields into community assets.

RACM is seeing measurable outcomes from the \$9.2 million of loan funds EPA has provided over the past 10 years. Thirteen loans and one subgrant have been implemented. So far these loans have resulted in \$377 million of investment and 3,500 jobs created or retained. Two hundred sixty-six acres have been cleaned up and made ready for reuse. RACM's Revolving Loan Funds will continue to grow as more of these parcels are built out and as the loans revolve and are loaned again. To support the need for additional RLF funding, RACM has a pipeline of four projects in need of RLF loans totaling \$3.8 million which will provide significant economic benefits. These include: a \$900,000 request for the cleanup of a vacant site and development of a mixed-use apartment/office development with an estimated 40 new jobs; a \$900,000 loan request for a new commercial/light industrial multi-tenant building with expected job creation/retention of 200 people and \$5 million in new tax base assessment; a \$1,500,000 loan request for a mixed use building with expected job creation/retention of 50 people and, a \$560,000 loan for a manufacturing building to provide redundant brewing and create/retain 150 jobs. Funding from this grant would be applied to valuable redevelopment projects such as these.



The following provides information regarding RACM's grant application:

- a. **Applicant Identification:** Redevelopment Authority of the City of Milwaukee, 809 North Broadway, Milwaukee, WI 53202
- b. Applicant DUNS Number: 071914712
- c. **Funding Requested:** (a) Grant type: Revolving Loan Fund; (b) Amount: \$1,000,000; Match \$200,000, (c) Contamination: Hazardous Substances
- d. Location: City of Milwaukee, County of Milwaukee, Wisconsin
- e. **Property Name and Address:** RACM's Application for an EPA Brownfields Revolving Loan Fund Grant Community-wide, Milwaukee, Wisconsin

Highest Ranking Elected Official:

E-mail: mayor@milwaukee.gov

Mayor Tom Barrett

Milwaukee, WI 53202

Phone: 414-286-2200

Fax: 414-286-3191

200 East Wells St

f. Project Director:

Tracy Luber 809 North Broadway Milwaukee, WI 53202 Phone: 414-286-5843

Fax: 414-286-5778

E-mail: tluber@milwaukee.gov

g. Date Submitted: January 22, 2014

h. Project Period: Five years

i. **Population**: 594,833 (2010 Census Population Estimate)

Thank you for your consideration. We look forward to continuing our partnership with EPA.

Sincerely,

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE

David P. Misky

Assistant Executive Director - Secretary

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V.B. Ranking Criteria for Revolving Loan Fund Grants

V.B.1. Community Need (15 points)

V.B.1.a. Targeted Community and Brownfields (5 points)

Targeted Community: Built on a foundation of robust industrial activity, Milwaukee has historically been dominated by die cast companies, machine tool manufacturers, tanneries, foundries, and printers. Over the past three decades, Milwaukee has seen a decline in its traditional manufacturing base as companies have outsourced internationally or moved to suburban industrial parks. Unfortunately, this has left a legacy of vacant and underutilized formerly industrial brownfield properties adding to the adverse economic effects created by smaller neighborhood brownfield properties such as gas stations and dry cleaners. The majority of Milwaukee's brownfield sites are located in a central portion of the City that roughly coincides with Milwaukee's Community Development Block Grant (CDBG) area which contains 132 census tracts. This area is the target community for this application and is in need of RLF funding due to distressed economic conditions and lack of private investment. Approximately 85% of Milwaukee's tax delinquent brownfields are located in this area. This target area includes 305,457 people, or approximately 51% of Milwaukee's population.

Demographic information:

Table 1 Demographic Table	Target Community (CDBG Area)	City of Milwaukee	State of Wisconsin	National
Population ¹	305,457	594,833	5,686,986	308,745,538
Unemployment Rate (BLS 9/13) ²	N/A	9.4%	5.9%	7.0%
Unemployment Rate (ACS 08-12) ³	19.7%	13.2%	7.5%	9.3%
Poverty Rate (Individuals) ³	39.6%	28.3%	12.5%	14.9%
Percent Minority ¹	70.7%	55.2%	13.8%	26.7%
Median Household Income ³	\$27,714	\$35,823	\$52,627	\$53,046
Per Capita Income ³	\$14,778	\$19,199	\$27,426	\$28,051
Educational Attainment (Age 25+, Bachelor's Degree or Higher) ³	10.6%	21.7%	26.4%	28.5%
Percent Children (under 18) ¹	30.5%	27.1%	23.6%	24.0%
% Owner-Occupied Housing Units ¹	33.1%	43.6%	68.1%	73.5%

¹Data from the 2010 U.S. Census

Brownfields: Brownfields have a significant negative impact on Milwaukee's neighborhoods and industrial corridors. The Redevelopment Authority of the City of Milwaukee (RACM) has

²Data from the Bureau of Labor Statistics - Sept. 2013 Unemployment Rate, Not Seasonally Adjusted (as seasonally adjusted rates are unavailable for the City level.)

³Data from the 2008-12 American Community Survey 5-Year Estimates

documented approximately 300 acres of brownfields, consisting of 143 tax delinquent brownfields (over 49 acres) and at least 30 other mothballed properties that are severely underutilized but not tax delinquent in the target area.

The impacts of brownfields are very real and include *both* the negative health implications (discussed more in the following section V.B.1.b) as well as the negative economic effects that result from the persistent blighting influence these vacant properties have on their community (see section V.B.1.c.ii).

Cumulative Environmental Issues: Over the years, many older manufacturing companies such as tanneries, foundries, breweries, and car manufacturers have closed or relocated, leaving behind vacant brownfields that provide no economic benefit for the community and instead attract crime and create an impediment to other economic development in the area. With plant closings, bankruptcies, and foreclosures increasing over the past three years, the need for public involvement in assessing these larger industrial properties, (over ½ acre) has increased significantly. Milwaukee also has an abundance of small (less than ½ acre) neighborhood brownfields where former uses such as repair shops, gas station, and dry cleaners cause suspicion of contamination and drive potential buyers away, leaving vacant, boarded up properties. The primary environmental justice issues in the Target Area relate to the extreme concentration of minority and low-income families, the concentration of brownfield properties in close proximity to residents, and the concentration of sensitive populations (particularly children).

V.B. 1.b. Impacts on Targeted Community (5 points)

One of the most common health and welfare concerns found on brownfield properties in the City of Milwaukee are near surface soil impacts. Shallow contamination, which includes polycyclic aromatic hydrocarbons (PAHs) in near surface soil, presents a risk for the public through dermal contact and ingestion, potentially exposing the public to health hazards, including respiratory problems, liver/kidney damage and nerve damage. A second health and welfare concern is the threat of contaminant vapor intrusion into buildings. Certain compounds found in subsurface soil and/or groundwater at high concentrations will volatilize and enter buildings through cracks in the foundation, which can cause a variety of health concerns (e.g., eye and respiratory irritation, headache, and/or nausea, and cancer), especially in sensitive populations such as children (under 18) and the elderly (over 65), who make up over 80% of the target area population (2010 US Census). Table 1 above demonstrates how minority residents are disproportionately affected by the negative effects caused by brownfields in the target area. If this grant is awarded, it will help RACM improve the health and welfare in the target area.

V.B.1.c Financial Need (5 points)

(i) Economic Conditions (3 points) Funding is needed because market conditions are not apt to promote developers and local businesses to take on the potential environmental liability associated with brownfields. Further, it can be difficult to finance development projects in this area due to lack of access to capital; and, increased cost of potential demolition, rehabilitation and/or environmental assessment and cleanup costs. Use of public funds often serves to close the financing gap, but with current funding at reduced level, traditional financing alternatives such as tax credits and loan programs have become increasingly competitive. RACM is a land clearance authority operating under supervision of the City of Milwaukee and is subject to City of Milwaukee budget constraints, which is primarily funded by property taxes. Housing market conditions and increased foreclosure rates are causing more residential properties to be removed

from the City's tax roll. According to the City of Milwaukee Treasurers Office, the City of Milwaukee foreclosed on 264 improved properties in 2009, 463 improved properties in 2010, 451 improved properties in 2011, and 665 improved properties as of mid-November 2012. The number of foreclosures continued at the high rate through 2013 with the same expected in the near future.

Due to a variety of factors, including market conditions discussed above as well as decreased support from State funding, the City of Milwaukee's budget has decreased significantly from previous years. The effect has been that RACM's brownfields program and brownfields redevelopment initiatives are increasingly dependent on state and federal funding opportunities to reduce environmental liability, promote redevelopment through added incentives and provide gap financing. Although RACM has made significant progress in brownfields redevelopment in Milwaukee's central city using previously awarded EPA grant funds as well as other public and private sources of funding, cleanup funding remains scarce outside of EPA Brownfield's programs.

(ii) Economic Effects of Brownfields (2 points) According to 2010 U.S. Census data, Milwaukee is the fourth poorest city in the nation. According to a recent study conducted by Marc Levine, of the University of Wisconsin Milwaukee's Center for Economic Development, as of 2010, 55% of African American males age 16-64 were out of work in the City of Milwaukee. This is the highest level since statistics were first recorded in the City in 1970. Since then, the racial gap in joblessness has grown from 11% to 31% between white and black men. With a 72% African American population living in the target area, and a 70% overall minority population (2010 U.S. Census), residents in the target are in particular need of economic and skill development opportunities that are brought to the neighborhood through redevelopment of brownfields. Residents also need skill development opportunities. Table 1 shows more than 89.4% of persons 25 and older living in this area have not completed a college degree. Skill levels and occupations are reflected in the target area per capita income of \$14,778 (2008-2012 American Community Survey 5-year estimate), which is only 50% of the State's average per capita income. At the same time, 39.6% of the residents in the target area are living below the poverty level, while the percentage of residents that are living below the poverty level throughout the State is only 12.5%. The unemployment rate in the target area is 19.7%, over twice the State's rate of 7.5%. (2008-2012 ACS 5-year estimate).

V.B.2 PROGRAM DESCRIPTION AND FEASIBILITY OF SUCCESS (30 points)

V.B.2.a Program Description (15 points)

Program Description (10 points)

A \$1,000,000 RLF grant award will recapitalize the RLF Program facilitating additional loans and exponentially assisting more redevelopment projects in the City of Milwaukee as loan funds are revolved and redeployed to fund additional projects. To date, RACM has received \$9.2 million in RLF awards and supplemental funding over the last 12 years. This funding has provided \$10.1 million (including revolved funds) in loans for 13 redevelopment projects in the City of Milwaukee totaling \$377 million in total project investment, cleaned up 266 acres of contaminated land with cleanup costs over \$76 million, and once complete is expected to result in over 3,500 new jobs. This program has greatly benefited residents and businesses in Milwaukee through job creation, increased tax base, public safety and public health benefits from the cleanup of environmentally contaminated brownfields. The two major goals of

RACM's RLF Program are to: 1) provide qualified applicants the necessary capital to conduct cleanups of properties; and, to 2) establish a revolving loan fund that is self-sustaining.

RACM EPA RLF PROGRAM SUMMARY

Brownfield Project	Loan and/or Subgrant Amount	Projected Redevelopment Investment	Projected Jobs Created/ Retained	Acres Made Ready	Total Cleanup Cost	New Development
Solar Paints and Varnishes	\$760,000	\$1,400,000	65	6	\$900,000	Marshall Erecting
Milwaukee Road Shops	\$690,000	\$60,000,000	1,300	130	\$20,000,000	Menomonee Valley Industrial Center
Ampco Foundry	\$420,000	\$10,000,000	200	17	\$2,300,000	Stadium Business Park
Kramer International	\$650,000	\$6,500,000	213	1	\$812,000	Affordable Housing/Retail and Office
Stockyards	\$1,250,000	\$16,000,000	200	10	\$1,300,000	Ziegler Bence/Proven Direct -
Pfister & Vogel	\$1,100,000	\$175,000,000	90	8	\$7,900,000	Retail Space and The North End Condos
Aelco Foundries	\$500,000	\$5,000,000	55	3	\$1,500,000	National Headquarters/O ffice Space
5th and Cherry	\$550,000	n/a	n/a	1	\$862,000	MEDC-owned property to be sold for
Milwaukee Fix Project	\$565,000	\$7,500,000	20	1	\$765,000	Mixed use/commercial
Bay View Apartments	\$680,000	\$13,000,000	20	1	\$1,300,000	Affordable housing/comme rcial
Century City	\$700,000	\$34,500,000	700	84	\$18,185,000	Light Industrial/Corn mercial
The Brewery Works	\$1,250,000	\$26,000,000	600	2	\$18,185,000	Office building redevelopment
Park East Two	\$1,000,000	\$22,000,000	60	2	\$1,800,000	Mixed use/commercial
	\$10,115,000	\$376,900,000	3,523	266	\$75,809,000	

Structure/Maintain Competent Team: After operating a RLF for the past 12 years, RACM has developed the resources and capability to implement and manage the program in an efficient and effective way. This includes both sound financial management and environmental project management to ensure cleanups are conducted appropriately. To ensure the use of reasonable and prudent lending practices for RACM's RLF Program, RACM designated the Milwaukee Economic Development Corporation (MEDC) as its EPA RLF Fund Manager on March 17, 2005. MEDC provides community development financing and offers a variety of resources for businesses including loan programs, grant programs, assistance with identifying land or building sites for expansion or relocation, and environmental cleanup of property.

In addition, members of RACM's Brownfield Team strictly oversee the environmental cleanup responsibilities of each RLF project. This team consists of staff members who are very familiar with applicable federal and state laws and programs. They perform complete environmental reviews including Phase I, Phase II reports, Remedial Action Plans, and prepare the Analysis of Brownfields Cleanup Analysis and Site Eligibility letters. More details on the team's credentials are presented in SectionV.B.5.a. on pages 13-14.

Select Borrowers/Projects: RACM's target area is the 132 census tract CDBG footprint which is an area of focus for redevelopment with the potential to create family-supporting jobs and meet Milwaukee's brownfields goals. Of the thirteen loans provided over the last 10 years, 100% have been in the target area. The RLF target area includes industrially-zoned areas of the City that historically have housed large manufacturing companies. Therefore, RACM expects RLF funds to be utilized on larger-scale brownfield properties. However, to maintain flexibility of the funds, RACM will evaluate sites for funding on a project specific basis. The Brownfields team uses the following criteria to score and rank projects:

- <u>Public Green space/Open Space</u>: Projects that include the preservation or creation of greenspace or other property for non-profit purposes score higher than those that do not.
- <u>Community Need</u>: An analysis of the economic needs of the community around competing applications is conducted by RACM. Communities in higher need score more favorably.
- <u>Use of Existing Infrastructure</u>: Projects reusing infrastructure score higher.
- <u>Promotion of Long-Term Availability of Funds</u>: In most cases, loans are more favorable than subgrants to promote the long-term availability of funds.
- <u>Community Economic Development Benefit</u>: Number and quality of jobs created or retained, increased tax base, impact on surrounding properties. One additional criterion is the new jobs created are at family-sustaining wage rates.
- <u>Project Need</u>: Amount requested compared to the total environmental, geotechnical, demolition and renovation costs.
- Long Term Environmental Competitiveness: Degree to which the project incorporates energy efficient/high performance design, recycled and locally produced materials, effective storm water control measures, density of development, access to shared parking/mass transit, and implementation of environmental management systems.

Determination of subgrantees focuses mainly on considerations of greenspace, community need, and reuse of existing infrastructure. Generally, RACM does not provide subgrants in order to promote the long-term availability of revolving funds; however, compelling circumstances may warrant a subgrant. So far, RACM has provided only one \$200,000 subgrant.

Structure and Administer Loans/Subgrants: RACM will use a \$1,000,000 grant to provide \$800,000 in capital to be loaned to projects, earn interest, and be available for loaning out to other projects as loan repayments are made. A \$200,000 match is required as cash/equity from all borrowers to leverage the use of private capital and ensure personal ownership of the project. The minimum loan amount is \$200,000, and the maximum loan amount to date has been \$1,250,000. RACM lends the money at a fixed interest rate below conventional market rates with terms ranging from 5-15 years with longer maturities reserved for projects paired with Tax Incremental Financing (TIF). Loans are underwritten using prudent lending guidelines, including analysis of business plan, cash flow, projections, historical financial statements, personal financial statement(s), credit report(s), D&B reports, collateral value, asset life, credit

risk, and character. Flexibility will be available in all projects to support the "gap" between the lender and the borrower. These can include term, rate, and amortization considerations that will not reduce the quality of the credit and/or the likelihood of loan repayment. Loans are structured to match the cash flow of the project. Once underwriting is completed, loan documents will be prepared, a closing will be set and funds will be available to be disbursed on a reimbursement basis. MEDC staff is then responsible for disbursing and servicing the loan. The loan payments and status are tracked though a portfolio loan system which is also the one used by MEDC to manage its own loan portfolios.

Leverage funding to cover costs: RACM will minimize program costs and subgrants in the RLF program and leverage additional site funding to cover all brownfields redevelopment activities and costs. Borrowers are required to fund 20% of the total cleanup costs. In addition, other public and private funding sources exist that can be used to fill financial gaps for RLF loan projects. Public sources include the RACM and city budgeted funds (Attachment E), MEDC Site Assessment Matching Grant Program, Tax Incremental Financing (TIF), New Markets Tax Credits, RACM-issued bonds, and Wisconsin Economic Department Corporation (WEDC) Brownfield Grants; and, private sources include bank lending and borrower equity.

Sustaining RLF Post Close Out: Monthly repayment of principal and interest on RLF loans generates a revolving source of capital to lend into new projects. Once cleanup is complete, RACM closes out the Cooperative Agreement (CA) and to date, five of the seven CAs have been closed, all of which had zero dollars available to lend at close out. To date, repayments from loans in closed out agreements have totaled \$3.2 million which has been revolved and loaned out to fund the environmental cleanup of five additional sites. RACM and MEDC continually market the program, and, as such, the pipeline typically exceeds the level of funds available.

Marketing Strategy (5 points) RACM markets the program to the business and development community through outreach sessions for local residents, developers and businesses to learn about funding and training opportunities available in Milwaukee, including RLF resources. RLF prospects are routinely discovered and information on existing loans and financing options are distributed by more than a dozen department members who actively share information with economic development and environmental staff. We are continuously marketing the program though the channels listed above since we receive ongoing repayment of principal and interest and/or loan payoffs. This allows us to maintain an active pipeline and fund projects when capital is available.

Specific 2014 Projects and Applicants: For this \$1 million request for funding, RACM has identified the following four projects totaling approximately \$5 million in cleanup costs of which \$3.8 million in loan dollars could be made available with new funding. These include:

Lakefront Brewery Project (131-141 South 7th Street & 745 West Canal Street)

Environmental issues: Industrial uses for this 9.5 acre property included leather manufacturers, coal piles, tallow and grease company and cement manufacturer with associated petroleum underground storage tanks (USTs) and above ground storage tanks (ASTs). An October 2013 Phase I was completed and Phase II soil and groundwater sampling is currently underway. Previous investigations related to leaking USTs have identified the presence of petroleum impacts in soil and groundwater. Select RCRA metals at concentrations greater than regulatory standards were detected. Additional sampling will further evaluate the degree and extent of impacts and an Analysis of Brownfield Cleanup Alternative (ABCA) can be prepared.

Cleanup cost: \$700,000

Loan/Terms: \$560,000 for hazardous substances cleanup; 7 years, 3.25%

Borrower: Lakefront Brewery, Inc.

Project description: Milwaukee's Lakefront Brewery is building a 70,000 square foot brewery for expansion and is expected to close in 2014. Considerable effort has been focused on making the Menomonee Valley, just west of downtown, an example for green and sustainable remediation and center for living wage jobs to the nearby residents.

Job creation: Up to 150 over 7 years.

Timeframe: Site Eligibility Determination will be submitted in Summer 2014, with ABCA

publication and RACM Board approval of the loan to follow

Gallun Project (1759 – 1881 N Water Street)

Environmental issues: The 5.7 acre site was used for tannery operations of the A.F. Gallun & Sons Tannery since 1885 and used laboratory chemicals, including toluene and ether, and petroleum USTs causing soil and groundwater impacts, including free product. Soil and groundwater investigation is currently underway to determine the degree and extent of VOCs, PAHs, and RCRA metals at the site.

Cleanup cost: \$2 million

Loan/Terms: \$1,500,000; 7 years, 3.25%

Borrower: Sherman and Associates

Project description: The redevelopment will consist of 350 apartments and commercial space on the first floor. With its size of 6 acres along the Milwaukee River, it is a visible brownfield and a unique property that would complete a strip of redevelopment in the downtown area.

Job creation: 50

Timeframe: Site Eligibility will be submitted to the EPA in June 2014. The ABCA will then be published in July 2014, in preparation of taking the new loan to the RACM Board in August 2014. Construction is anticipated for Fall 2014.

5th and Grange Project (500 West Grange Avenue)

Environmental issues: The site was used for storage of construction equipment and for disposal of fill materials from nearby construction sites and manufacturing (foundry) operations. Soil impacts include high levels of lead, other metals, and VOC's, and the groundwater is impacted by VOCs. It is anticipated that contaminated soils will be excavated in planned green space areas and areas where permanent cover alone will not be effective. The pavements and buildings will serve as a permanent cover. Monitored natural attenuation will be the final phase of the remediation. The Remedial Action Plan (RAP) has been approved by the WDNR and the EPA previously approved the Site Eligibility letter for a RLF loan.

Cleanup cost: \$1.2 million

Loan/Terms: \$900,000 for hazardous substances cleanup; 7 years, 3.25%; annual payments will come from tax increment.

Borrower: Billy Mitchell LLC (former EPA RLF borrower)

Project description: The property is located near the Milwaukee Airport and will be developed as a light industrial multi-tenant business park. A prior EPA RLF loan was made to this developer for a multi-tenant business park and that project has been a great success (over 200 jobs among the tenants) and the loan is being paid off on schedule.

Job creation: 70

Timeframe: Site Eligibility Determination has been approved. The loan is expected to close in fall 2014 following publishing of the ABCA and approval by RACM Board.

Clutch Shop Project (1693 & 1701-1721 N. Water Street)

Environmental issues: This site consists of five contiguous parcels used since the 1930s for manufacturing leather, asphalt paint/varnish, soaps, oils and chemicals and as an auto body shop. At least three fuel oil, three gasoline, and two solvent USTs were removed in the 1970s. A leaking UST associated with the former gasoline tanks was closed in 1996, but remains a concern for redevelopment with impacts left in place. A Limited Phase II ESA was conducted in 2004 and identified low levels of VOCs and PAHs in near surface soil surrounding an existing auto repair shop. Additional site assessment is being conducted to delineate soil and groundwater impacts.

Cleanup Cost: \$1.125 million

Loan/Terms: \$900,000 for hazardous substances cleanup (80% of total; 20% match by borrower); 7 years, 3.25%; interest only for three years followed by level payments of principal and interest through maturity.

Borrower: Wangard Partners, Inc. (prior RACM BRLF borrower)

Project description: Clean up and redevelopment as a mixed-use, market-rate apartment building with retail/commercial tenants on the first floor.

Job creation: 40

Timeframe: Site Eligibility letter for BRLF loan will be submitted in fall 2014 to the EPA. The ABCA will be published in preparation for taking the new loan to the RACM Board in fall 2014 with loan closing and project underway by December 2014.

V.B.2.b Task Description and Budget Table (10 pts)

Task Descriptions:

The following list describes the project tasks in the budget:

- Operate Revolving Loan Fund: Funding is needed to support staff time to market, underwrite, prepare loan documents, monitor compliance, and track loan and interest payments for the RLF Program. The budget covers four staff from RACM, MEDC, and graduate school interns. The budgeted amount (see breakdown of salary and fringe calculations below the Table) reflects that 50% of the time these four staff allocate to the RLF Program will be spent on tasks associated with operating the Loan Fund. The budget also includes the cost of travel to attend and present at EPA and Brownfields conferences.
- Community Involvement: RACM staff also budgets resources to involve the community in accessing and utilizing the RLF program; as well as providing information on brownfields prevention through meetings, committees, and neighborhood based groups and initiatives. RACM works with Common Council members and local community partners to ensure the public is informed of the brownfields cleanup activities and redevelopment plans in their neighborhoods. Time spent on Community Involvement is approximately 30% of staff's time.
- <u>Loans/Subgrants</u>: The majority of the budget is allocated for loans which will be made to qualified applicants and cleanup projects and, if merited, could provide up to a \$200,000 subgrant. A new \$1,000,000 RLF grant is expected to lead to the cleanup of two new brownfield redevelopment projects. The projected loan budget of \$800,000 equals the net proceeds after subtracting programmatic costs and exceeds the requirement of 60%.

• Cleanup Oversight: Oversight of the cleanup is conducted throughout the cleanup to ensure consistency with Davis Bacon, human health protection, other federal requirements, and NR 700 compliance. RACM works with its borrowers to make sure they understand and comply with requirements and conduct the cleanup in the safest, most thorough way possible. The budgeted amount is for staff time required to monitor and administer the cleanup and includes some programmatic costs for environmental staff such as quarterly reporting and updates to ACRES, corresponding with EPA, site visits, travel to EPA conferences, etc. This accounts for approximately 20% of staff's time.

Cost Share/Match Funds: For a \$1,000,000 grant, \$200,000 or 20% will be provided by the loan recipient and will cover eligible environmental cleanup costs. To assure match dollars equate to 20% of total loan funded, RACM will reimburse 80% of each draw request.

Budget Table:

	I						
	Operate						
	Revolving	Community		Clean Up	3.0		
Budget Categories	Loan Fund	Involvement	Loans/Subgrants	Oversight	Total		
Grant Award Funds: \$1,000,000							
Personnel	62,764.00	37,658.40		25,105.60	125,528.00		
Fringe	29,499.00	17,699.00		11,800.00	58,998.00		
Travel	4,242.00		1811		4,242.00		
Equipment					0.00		
Supplies					0.00		
Contractual (Loans)			600,000.00		600,000.00		
Contractual (Subgrants)			200,000.00		200,000.00		
Other				11,232.00	11,232.00		
Sub-Total	96,505.00	55,357.40	800,000.00	48,137.60	1,000,000.00		
Match Funds: \$200,000 or 20% of grant award (required as cash/equity contribution) from RLF Borrower							
Contractual (Loans)			200,000.00		200,000.00		
Total	96,505.00	55,357.40	1,000,000.00	48,137.60	1,200,000.00		

REVOLVING LOAN FUND - 20% OF AWARD	SALARY	<u>%</u>	<u>YRS</u>	BUDGET
SR ENVIRONMENTAL PROJECT ENGINEER	\$ 38,984	15.00%	3	17,543.00
SR ENVIRONMENTAL PROJECT ENGINEER	\$ 62,724	20.00%	3	37,634.00
SR ENVIRONMENTAL PROJECT COODINATOR	\$ 47,198	20.00%	3	28,318.00
ASSISTANT EXECUTIVE SECRETARY-RACM	\$ 112,089	12.50%	3	42,033.00
TOTAL SALARY	A Company of the Comp	1		125,528.00
FRINGE BENEFITS	godina je postava sa	47%		58,998.00
TOTAL SALARY AND FRINGE (ADMIN)	- Array - Same Arr	ika gara da masa ka maga ka ka masa ka ka maga ka ka masa ka m	general and the second	184,526.00
PARKING (3 spaces per mo @ \$104.00 ea for 3	years)	angan agan an ang maga gan agam a r ya malikar ayan tindhel	a galaga a sa	11,232.00
TRAVEL				4,242.00
TOTAL BUDGET	engle engles e e penne gyfrifig a eighanni e o'i penne 'i ceithe te i i i			200,000.00

^{*}Travel includes attendance at EPA Brownfields Conference, the Reclaiming Vacant Properties Conference, the New Partners for Smart Growth Conference, and the Council of Development Finance Authorities (CDFA) Conference.

^{**} Other includes parking for program staff (3 spaces per mo @ \$104.00 each for 3 years)

V.B.2.c Ability to Leverage (5 pts)

In certain cases, an RLF loan will not make the full acquisition, testing, and cleanup costs of a brownfields project financially viable. As such, additional public and private funding sources exist that can be used to fill financial gaps in projects including: RACM and City budgeted brownfield funding, MEDC Site Assessment Matching Grant Program, Tax Incremental Financing (TIF), New Markets Tax Credits, RACM-issued bonds, and Wisconsin Economic Department Corporation (WEDC) Brownfield Grants. In addition, because RLF funds are only available to fund the cleanup portion of a redevelopment, RACM has developed strong relationships with lenders for private funding. RACM's fund manager, MEDC, provides low interest loans by partnering with local lenders and can assist borrowers in obtaining additional funding for the project if needed. Another significant resource that is used in financing projects is developer or borrower's equity. A minimum of 20% in match funding for the environmental cleanup costs is required on all loans and adds a source of capital in the financing structure that gets a project to completion. With over 95 brownfield redevelopment projects successfully completed, Milwaukee has regularly encountered funding gaps and has found many ways to leverage other funds to meet the gaps. The thirteen RLF loans funded to date have leveraged over \$130 million of grant and TIF funding from public sources. Approximately 12 of Milwaukee's TIF districts have funded environmental cleanup, and six of the thirteen Milwaukee RLF loans have been paired with TIFs.

V.B.3 COMMUNITY ENGAGEMENT AND PARTNERSHIPS (15 POINTS)

V.B.3.a Plan for Involving Targeted Community & Other Stakeholders; and Communicating Progress (5 pts)

RACM works to actively involve a wide range of community members including businesses, developers, banks, non-profit organizations, community groups, and neighborhood groups in RLF projects. When a project is identified for redevelopment, RACM's RLF Project Manager and environmental staff identifies local neighborhood groups and community development organizations to ensure support exists for the redevelopment and cleanup plans. Developers are encouraged to attend community group meetings describing the project and cleanup. RACM staff asks for feedback from the relevant community groups about whether they support the proposed cleanup and development and whether comments have been satisfactorily addressed by developers. Community members and the public are invited to attend RACM meetings or send comments/feedback for all loan and grant projects under consideration that are published in the Daily Reporter approximately two weeks and up to one month prior to RACM meetings.

V.B.3.b Partnerships with Government Agencies (5 pts)

RACM is actively involved in a number of partnerships with other government agencies that seek cleanup and sustainable redevelopment of brownfields in Milwaukee. RACM works closely with many state governmental agencies, including the Wisconsin Department of Natural Resources (WDNR). RACM maintains a close relationship with and relies on the WDNR for regulation and guidance throughout remediation and redevelopment projects to ensure that cleanup activities are successful. RACM is also a founding member and active participant in the Wisconsin Brownfields Study Group facilitated by WDNR. The Study Group evaluates current regulations and provides recommendations to legislators on state brownfields initiatives. RACM's role in the Study Group has afforded RACM the opportunity to foster relationships not only with staff from the staff agencies mentioned in this section, but also with local

governmental officials throughout Wisconsin. A letter of support from WDNR is included in Attachment B. RACM also communicates with the Wisconsin Department of Health Services (DHS) when evaluating public health risks during cleanup activities. The Wisconsin Economic Development Corporation (fka Department of Commerce) partners with RACM on a variety of projects and often relies on recommendations from RACM's environmental staff when evaluating grant applications from private parties. RACM also has a unique relationship with the Wisconsin Housing and Economic Development Authority (WHEDA) due in large part to the "Transform Milwaukee" initiative announced by Governor Walker in April 2012. Transform Milwaukee is "a plan to restore industrial output, create jobs, address the city's large inventory of foreclosed properties and create a sustainable solution to rainwater run-off," (WHEDA website). As the Transform Milwaukee initiative continues to take shape, both RACM and WHEDA staff look for ways to mutually support each other's mission. Letters of support from the City, DHS, WEDC, and WHEDA are included in Attachment E.

Another instance of partnership building at the federal level began in 2009, when RACM began working with EPA Region 5 as an Environmental Justice (EJ) Showcase Community. This collaboration is a multi-media, cross-program approach to engaging multiple stakeholders in coordinated action, in order to address EJ concerns in high-priority areas within each of the EPA regions. This new partnership opportunity allows RACM to find technical support at the EPA or one of the other federal partnering agencies (USDA, FDA, HHS, etc.) that may not be available at the state level.

V.B.3.c Partnerships with Community Organizations (5 pts)

The following organizations are involved with or supportive of RACM's RLF Program. Letters of support from these organizations are included as Attachment E.

- Local Initiatives Support Corporation (LISC) is a non-profit organization that provides grants, loans, and equity investments to businesses for neighborhood redevelopment. LISC will act as a liaison to the area business community, assist RACM to conduct targeted community outreach, and connect with potential buyers and developers to discuss redevelopment opportunities for the property. Contact: Leo Reis (414) 273-1815.
- Menomonee Valley Partners (MVP) is a broad group of partners working to restore the river valley located at the heart of Milwaukee. MVP is a strong partner in identifying potential projects and promoting the redevelopment of brownfields. One of our pipeline projects, Lakefront Brewery, is located in this area. Contact: Corey Zetts at (414) 274-4655.
- The Corridor is a non-profit organization focusing on the redevelopment of a five-mile segment of active railroad corridor passing through Milwaukee's urban core. The Corridor acts as RACM's primary non-profit partner for the revitalization of the 30th Street Industrial Corridor. Contact: Gloria Stearns (414) 444-4706.
- Northwest Side Community Development Corporation (NWSCDC) works to enhance the standard of living on the northwest side by improving the business environment for our low-income communities through community economic development. Contact Sam McGovern-Rowen (414) 444-8213.
- Milwaukee Metropolitan Association of Commerce represents nearly 2,000 businesses employing over 400,000 workers in the metropolitan area and a founding partner of the Milwaukee 7 the regional economic development partnership in southeastern Wisconsin. Contact: Timothy Sheehy (414) 287-4125.

V.B.4 PROGRAM BENEFITS

V.B.4.a Health and/or Welfare and Environment (10 pts)

Based on experience with the RLF program, loan proceeds are almost always utilized for soil removal activities. The loans cover eligible cleanup activities such as removing contaminated soil that poses a dermal contact threat, inhalation threat, groundwater threat or other risk to human health, wildlife and natural systems. For each clean up, the Site Manager is responsible to ensure threats to any citizen, and especially the most vulnerable populations, are not increased. These efforts will be supported by the public and state/federal regulators. Successful cleanup and redevelopment improve the perception of the neighborhood, generate economic activity, reduce crime, engage residents in their neighborhood, and demonstrate the City's commitment to revitalization of the RLF project's surrounding area.

RACM is committed to ensuring that public health issues are considered in our brownfields redevelopment activities. Not only are human health threats considered criteria for which brownfields sites to prioritize, but state and local health professionals provide input to proposed activities. The Assistant Executive Director-Secretary of RACM was formerly part of the staff of the City of Milwaukee's Health Department. RACM continues to work closely with Health Department staff to evaluate public health risks associated with brownfields. In Wisconsin, standards for land-use based clean ups are regulated by the WDNR and other applicable The Wisconsin guidance, with criteria based on future land use and exposure pathways. Department of Health Services (DHS) is also involved in evaluating heath risk issues when residential areas are involved. RACM maintains a close relationship with both the WDNR and DHS and relies on these public health partners for guidance throughout remediation and redevelopment projects. To ensure that environmental risks to disadvantaged communities are not increased during cleanup and redevelopment, the City will address any public citizen concerns through public meeting processes and will propose health and safety standards as a goal during the assessment, cleanup and redevelopment processes. Milwaukee works closely with the WDNR at both the assessment and cleanup stage of all of its projects.

V.B.4.b Environmental Benefits from Infrastructure Reuse/Sustainable Reuse

(i) Planning, Policies, or Other Tools (2 pts) Sustainable development is both a keystone and a common thread running throughout Milwaukee City government. Within the Department of City Development's Planning Section, comprehensive plans were recently completed that blanket every square mile of the city through 12 areas plans and one overall policy plan. These comprehensive plans form the basis for future decision-making and project approvals. Planning recommendations for sustainable development are pervasive throughout all the plans and include everything from recommendations for complete streets (to promote multi-modal transportation) to increasing the network of green infrastructure throughout the city.

With respect to policy-making, the City of Milwaukee's cabinet-level Office of Environmental Sustainability (OES) was created by Mayor Tom Barrett to position Milwaukee as a leader in environmental sustainability and performance in the 21st century. The office was created through community support received by the Milwaukee Green Team, a group commissioned by Mayor Barrett ten years ago, in 2004. OES sets policy for the City and focuses on an array of issues including the promotion of alternative energy, low-impact stormwater development, sustainable manufacturing initiatives, and urban agriculture.

(ii) Example of Efforts (3 pts) One example of infrastructure reuse and sustainable reuse is a \$565,000 RLF loan which closed June 2, 2011 for environmental remediation and development of an environmentally sustainable, 4-story, 30,000 sq. ft. commercial "living building" that houses a new manufacturing facility on the first floor and a community health services cooperative on the upper two floors. The resulting development, the Clock Shadow Building, features sustainable technologies, green business incubator space, social investors, and partnerships for new businesses in the neighborhood.

V.B.4.c Economic or non-Economic Benefits (5 points)

- (i) Economic Benefits (3 pts) Achieving high economic development impact drives Milwaukee's prioritization of RLF loan selection. So far, \$378 million of redevelopment is underway from the \$10.1 million of RLF funds loaned and over 3,500 permanent jobs are projected to be created or retained. RACM has a pipeline of four new requests for RLF funding totaling \$5 million in cleanup costs of which \$3.8 million could be funded in loans which can generate significant economic benefits including: new tax base from total new project investment of over \$100 million and a projected 310 new jobs over a five year period. (See pages 6-8 for further details on each of the four projects.)
- (ii) Local Hiring/Procurement (2 pts) RACM seeks ways to promote small and emerging businesses that create job opportunities for the unemployed and underemployed residents of the City of Milwaukee. Therefore, borrowers are encouraged to seek out bids, when possible, and/or utilize services from small businesses listed as Small Business Enterprises through the City of Milwaukee Office of Small Business Development. Also, RACM will forward basic information about the project to the Milwaukee Area Workforce Investment Board, which in turn may contact the borrower to describe the employment and training services and how these could benefit the project.

V.B.5. PROGRAMMATIC CAPABILITY AND PAST PERFORMANCE (20 points)

V.B.5.a Programmatic Capability (12 pts)

In order to ensure sound financial and program management, RACM utilizes MEDC's staff and lending capabilities to market, close, and service the RLF loans; and RACM's Brownfield staff to oversee the environmental aspects and cleanup of each RLF project.

Tracy Luber will be the Financial and Program Manager for this grant. For the past seven years Ms. Luber has provided project and program management for the RACM RLF Program. She is responsible for deploying loan capital and has extensive experience assessing customer borrowing needs, analyzing financial risk, structuring financing sources, and underwriting and closing loans. She has an economics degree from UW-Madison, and an MBA from UW-Milwaukee.

RACM environmental staff who work directly on the RLF include Mathew Reimer, Senior Environmental Project Coordinator; and, Karen Dettmer and Tory Kress, Senior Environmental Project Engineers. Ms. Dettmer and Ms. Kress are both licensed Professional Engineers in the State of Wisconsin. Both RACM Brownfields staff and the MEDC Project Manager will report directly to RACM's Assistant Executive Director, David Misky, who manages and overseas the RLF Program. Ms. Luber and RACM environmental staff also perform Work Plan development, reporting, and closeouts of CAs. Quarterly reporting will continue to be timely, as it has been in the past, and will specify reasons for any deviations from the original Work Plan. At the time

each quarterly report is submitted or when major project milestones are achieved, environmental staff will update property profiles directly into the ACRES system. Per a January 10, 2014 EPA Office of Grants and Debarment and Office of Small Business Programs letter, DBE reports will be submitted on an annual basis. Ms. Luber and other project team members also work closely with RACM's Accounting Department to address the annual financial reporting and ensure timely submission to EPA, as well as to complete all required grant closeout documentation.

In event that additional expertise or resources are needed, MEDC has five other full time staff members with lending backgrounds and four others with program familiarity and the ability to assist with implementation of the Financial and Program Manager Role. In the event that RACM staff are unavailable or experiences turnover, the group would seek to temporarily assign that person's duties to other team members or fill the vacant position via traditional job posting methods and word-of-mouth communication.

V.B.5.b Audit Findings (2 pts)

No adverse audit findings were received for the most recent single audit conducted for RACM for 2012 activities.

V.B.5.c Past Performance and Accomplishments (6 points)

(i) Currently or Has Ever Received an EPA Brownfields Assessment, Revolving Loan Fund, or Cleanup Grant (6 points) RACM has received seven Revolving Loan Fund grants (plus four Supplemental and one ARRA award), seven Assessment Grants, and ten Cleanup Grants (for 27 specific sites) since 2002.

RLF - RACM has provided 13 loans and one subgrant resulting in \$378 million of investment and 3,500 projected jobs to be created or retained. More than 266 acres will be cleaned up and made ready for development.

Assessment - RACM has utilized its EPA Assessment Funds on more than 75 different properties that are in various stages of testing. 19 of these properties totaling 67 acres have been redeveloped resulting in obtaining environmental site closure. Redevelopment projects have been completed resulting in approximately \$120 million of redevelopment and retention or creation of more than 700 jobs.

Cleanup - RACM has been awarded Cleanup Grants for 27 specific sites to date; proposed cleanups have been completed at 15 of the 27 sites and cleanup activities will continue to proceed at the remaining 12 sites. Risks to human health have been reduced on approximately 60 acres. \$12.6 million of investment has occurred and will increase as more proposed projects break ground.

- 1. Compliance with grant requirements (3 points) The five most recent grants awarded to RACM are listed below, and RACM is in compliance with Work Plans, reporting requirements, and other terms and conditions of all open CAs. For CAs that RACM has closed, there was no available funding left at time of closing including program income.
- 1. 2013 Supplemental Award to the 2009 Revolving Loan Fund Grant BL-00E90601: This cooperative agreement includes a 2013 \$250,000 Supplemental Funding Grant which was added to the \$1,000,000 received in October of 2009 and two other Supplemental awards totaling \$1,000,000 received in 2011 and 2012. Total available capital remaining to lend in

- this CA is \$113,000 which can be used for one of the four pipeline projects profiled on pages 6-8.
- 2. 2013 Cleanup Grant BF-00E01231: This cooperative agreement includes \$600,000 of cleanup grant funding for three specific sites (\$200,000 for each site) with a 20% match requirement. One of the sites is for a portion of the Century City core site (Area A). The other two sites are Century City out lots. While no funds have been drawn down yet, cleanup activities will commence in spring 2014 with cleanup activities in Area A as part of the first phase of the infrastructure build-out.
- 3. 2013 Assessment Grant BF-00E01227: This cooperative agreement includes \$200,000 for community-wide Hazardous assessment. While no funds have been drawn down yet, assessment activities have already commenced, and will produce grant drawdowns in early 2014.
- 4. 2012 Cleanup Grant BF-00E01065: This cooperative agreement includes \$600,000 of cleanup grant funding for three specific sites (\$200,000 for each site) with a 20% match requirement. Two of the sites are for portions of the Century City core site (Area B and Area C), while one is for the Esser Paint redevelopment project. A total of \$9,709.60 has been drawn down to date. Additional cleanup work will take place in 2014 at Century City Areas B and C as well as at the Esser Paint site.
- 5. 2011 Cleanup Grant BF-00E00910: This cooperative agreement includes \$600,000 of cleanup grant funding for three specific sites (\$200,000 for each site) with a 20% match requirement. Two of the sites are for portions of the Century City core site (Area D and Area F). A total of \$192,186.10 has been drawn down. Cleanup activities will continue in 2014

Need for funding: In addition, as mentioned we have made substantial progress in lending out the funding made available through these grants and once the final draws have occurred on the two loans that closed in second half of 2013, we will have depleted all but \$113,000 in loan capital available in open CAs. To support the need for an additional \$1 million in RLF funding, RACM has a pipeline of four projects requesting RLF loans totaling \$3.8 million which will provide significant economic benefits. Specifics on these projects are included in Section V.B.2. on pages 6-8.

2. Accomplishments (3 points) RACM is seeing measurable outcomes from the \$9.2 million in RLF funds EPA has provided over the past 10 years. Thirteen loans and one subgrant have been implemented. So far these loans have resulted in \$377 million of investment and 3,500 jobs created or retained. Two hundred sixty-six acres have been cleaned up and made ready for reuse (See the RACM EPA RLF Summary chart on page 4). This program has greatly benefited residents and businesses in Milwaukee through job creation, increased tax base, public safety and public health benefits from the cleanup of environmentally contaminated brownfields. Redevelopment initiates neighborhood revitalization, crime reduction, community involvement, and an overall sense of community pride. Successful reuse of brownfields will also draw interest from the neighborhood and beyond and will inject vitality into target areas that currently face significant economic challenges.

RLF Grant Proposal

List of Attachments

- A. Threshold Criteria
- B. Letter from State Environmental Authority
- C. Documentation of Applicant Eligibility
- D. Oversight Structure and Legal Authority
- E. Letters of Support

Attachment A Threshold Criteria

Revolving Loan Fund

III B. Threshold Criteria

1. APPLICANT ELIGIBILITY

The Redevelopment Authority of the City of Milwaukee (RACM) is the lead agency for the proposed Brownfields Cleanup Revolving Loan Fund (RLF). RACM is a Redevelopment Agency sanctioned by Wisconsin Statutes Section 66.1333 (3) and (5) and a land clearance authority operating under supervision of the City of Milwaukee (Common Council file 58-902). See Attachment C for documentation.

2. DESCRIPTION OF JURISDICTION

The city limits of the City of Milwaukee, Wisconsin.

3. LETTER FROM STATE ENVIRONMENTAL AUTHORITY

See Attachment B.

4. OVERSIGHT STRUCTURE AND LEGAL AUTHORITY TO MANAGE A REVOLVING LOAN FUND

The City will ensure that sites chosen will use the Wisconsin (WI) Voluntary Cleanup process consistent with the NR 700 rule series of Wisconsin Department of Natural Resources (DNR) regulations under WI Spill Law. Depending on the sites chosen, these sites may also choose to enroll in the WI Voluntary Party Liability Exemption (VPLE) program. Site investigations and Remedial Action Plans (RAP) will be required to be approved by WI DNR prior to cleanup commencement. RACM's environmental staff will provide oversight. This team has over 25 years of experience in environmental testing and cleanup and the Development and

Environmental Manager has credentials similar to those of a U.S. EPA Superfund Remedial Project Manager. See Attachment D for legal opinion.

5. COST SHARE

Twenty percent (total \$200,000) will be provided by RACM's EPA RLF Borrowers. For each loan RACM will require businesses or developers for approved projects to supply a 20% match in cash or equity into the project. RACM likes this model because it infuses private capital into brownfields redevelopment projects.

Attachment B Letter from State Environmental Authority

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
101 S. Webster Street
Box 7921
Madison WI 53707-7921

Scott Walker, Governor Cathy Stepp, Secretary Telephone 608-266-2621 Toll Free 1-888-936-7463 TTY Access via relay - 711



January 10, 2014

David P. Misky, Assistant Executive Director - Secretary Redevelopment Authority of the City of Milwaukee 809 North Broadway, 2nd Floor Milwaukee, WI 53202

Subject: State Acknowledgement and Support for the Redevelopment Authority of the City of Milwaukee's Application to the U.S. EPA for the following Brownfield Grants: (1) A \$200,000 cleanup grant application for 2642 West Hopkins Street (petroleum contamination); (2) A \$200,000 cleanup grant application for 2537 West Hopkins Street (petroleum contamination); (3) A \$120,000 cleanup grant application for 3424 N 27th Street (petroleum contamination); and (4) A \$1,000,000 Revolving Loan Fund grant application (hazardous contamination).

Dear Mr. Misky: June

The Wisconsin Department of Natural Resources is pleased to acknowledge and support the federal brownfield grant applications referenced above for the Redevelopment Authority of the City of Milwaukee (RACM).

Historically, Milwaukee's economy has been dominated by manufacturing companies. Over the years many tanneries, foundries, breweries, and other manufacturers have left or gone out of business, leaving behind vacant brownfields that provide no economic benefit for the community and, instead, attract crime and create an impediment to other economic development in the area. The specific sites identified above for cleanup funding are unfortunate legacies of a bygone era, and need EPA support to move forward.

In addition, I know Milwaukee has an abundance of small neighborhood brownfields. Many of these sites were formerly automotive repair shops, gas stations, dry cleaners, and paint retail outlets that, now abandoned, are a blighting influence on neighborhoods. RACM is actively working to assess these properties to minimize risk and attract redevelopment, but additional loan and grant funding is critically necessary.

Milwaukee is a national leader in the effort to clean up and reuse brownfields. RACM is working diligently to prioritize the sites noted above for redevelopment by securing funds for cleanup and brownfield loans, contacting owners, generating development interest, and occasionally taking action against uncooperative owners.

Obtaining EPA funding for both site-specific and community-wide projects is essential to enable RACM to address properties where known or perceived environmental concerns form significant barriers to economic revitalization, public health and safety, and community well-being.

Sincerely,

Darsi Foss, Chief

Brownfields and Outreach Section

Bureau for Remediation and Redevelopment

CC:

Bruce Urben – RR/5 CO Margaret Brunette – SER



Attachment C

Documentation of Applicant Eligibility

velopment plan", "urban renewal plan", "redevelopment or urban renewal plan", "project area plan" or "redevelopment and urban renewal plan", either one of which means the redevelopment plan of the project area prepared and approved as provided in sub. (6). These undertakings and activities include all of the following:

- Acquisition of all or a portion of a blighted area.
- 2. Demolition and removal of buildings and improvements.
- 3. Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out in the project area the objectives of this section in accordance with the redevelopment plan.
- 4. Disposition of any property acquired in the project area, including sale, initial leasing or retention by the authority itself, at its fair value for uses in accordance with the redevelopment plan.
- Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the redevelopment plan.
- 6. Acquisition of any other real property in the project area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities.
- 7. Studying the feasibility of and initial design for an arts incubator, developing and operating an arts incubator and applying for a grant or loan under s. 44.60 in connection with an arts incubator.
- 8. Studying the feasibility of an initial design for a technology-based incubator, developing and operating a technology-based incubator and applying for a grant under s. 560.14 (3) in connection with a technology-based incubator.
- (e) "Bonds" means any bonds, including refunding bonds; notes; interim certificates; certificates of indebtedness; debentures; or other obligations.
- (g) "Local legislative body" means the board of alderpersons, common council, council, commission or other board or body vested by the charter of the city or other law with jurisdiction to enact ordinances or local laws.
- (h) "Project area" means a blighted area which the local legislative body declares to be in need of a blight elimination, sium clearance and urban renewal project.
- "Fublic body" means the state or any city, county, town, village, town board, commission, authority, district, or any other subdivision or public body of the state.
- (j) 'Real property' includes all lands, together with improvements and fixtures, and property of any nature appurtenant to the innds, or used in connection with the lands, and every estate, interest, right and use, legal or equitable, in the lands, including terms for years and liens by way of judgment, mortgage or otherwise.
- (t) "Technology-based incubator" has the meaning given in s. 560.14 (1) (h).
- (3) REDEVELOPMENT ALTHORITY. (a) I, It is found and declared that a redevelopment authority, functioning within a city in which there exists brighted areas, constitutes a more effective and efficient means for preventing and eliminating blighted areas in the city and preventing the recurrence of blighted areas. Therefore, there is created in every city with a blighted area a redevelopment authority, to be known as the "redevelopment authority of the city of ...". An authority is created for the purpose of carrying out blight elimination, slum clearance, and urban renewal programs and projects as set forth in this section, together with all powers necessary or incidental to effect adequate and comprehensive blight elimination, slum clearance and urban renewal programs and projects.
- An authority may transact business and exercise any of the powers granted to it in this section following the adoption by the local legislative body of a resolution declaring in substance that

there exists within the city a need for blight elimination, slum clearance and urban renewal programs and projects.

- 3. Upon the adoption of the resolution by the local legislative body by a two-thirds vote of its members present, a certified copy of the resolution shall be transmitted to the mayor or other head of the city government. Upon receiving the certified copy of the resolution, the mayor or other head of the city government shall, with the confirmation of four-fifths of the local legislative body, appoint 7 residents of the city as commissioners of the authority.
- 4. The powers of the authority are vested in the commission-
- 5. In making appointments of commissioners, the appointing power shall give due consideration to the general interest of the appointee in a redevelopment, slum clearance or urban renewal program and shall, insofar as is possible, designate representatives from the general public, labor, industry, finance or business group, and civio organizations. Appointees shall have sufficient ability and experience in related fields, especially in the fields of finance and management, to assure efficiency in the redevelopment program, its planning and direction. One of the 7 commissioners shall be a member of the local legislative body. No more than 2 of the commissioners may be officers of the city in which the authority is created.
- Commissioners shall receive their actual and necessary expenses, including local traveling expenses incurred in the discharge of their duties.
- (b) The commissioners who are first appointed shall be designated by the appointing power to serve for the following terms: 2 for one year, 2 for 2 years, one for 3 years, one for 4 years, and one for 5 years, from the date of their appointment. After the first appointments, the term of office is 5 years. A commissioner holds office until a successor is appointed and qualified. Removal of a commissioner is governed by s. 66.1201. Vacancies and new appointments are filled in the manner provided in par. (a).
- (c) The filing of a certified copy of the resolution adopted under par. (a) with the city clerk is prima facie evidence of the authority's right to proceed, and the resolution is not subject to challenge because of any technicality. In any suit, action or proceeding commenced against the authority, a certified copy of the resolution is conclusive evidence that the authority is established and authorized to transact business and exercise its powers under this section.
- (d) Following the adoption of a resolution, under par. (a), a city is precluded from exercising the powers provided in s. 66.1331 (4), and the authority may proceed to carry on the blight elimination, slum clearance and urban renewal projects in the city, except that the city is not precluded from applying, accepting and contracting for federal grants, advances and loans under the housing and community development act of 1974 (P.L. 93-383).
- (e) I. An authority has no power in connection with any public housing project.
- Persons otherwise entitled to any right, benefit, facility or privilege under this section may not be denied the right, benefit, facility or privilege in any manner for any purpose nor be discriminated against because of sex, race, color, creed, sexual orientation or national origin.
- (f) An authority is an independent, separate and distinct public body and a body corporate and politic, exercising public powers determined to be necessary by the state to protect and promote the health, safety and morals of its residents, and may take title to real and personal property in its own name. The authority may proceed with the acquisition of property by eminent domain under ch. 32, or any other (aw relating specifically to eminent domain procedures of redevelopment authorities.
- (g) An authority may employ personnel as required to perform its duties and responsibilities under civil service. The authority may appoint an executive director whose qualifications are determined by the authority. The director shall act as secretary of the authority and has the duties, powers and responsibilities delegated

by the authority. All of the employees, including the director of the authority, may participate in the same pension system, health and life insurance programs and deferred compensation programs provided for city employees and are eligible for any other benefits provided to city employees.

- (5) POWERS OF REDEVELOPMENT AUTHORITIES. (a) An authority may exercise all powers necessary or incidental to carry out and effectuate the purposes of this section, including the power to do all of the following:
- Prepare redevelopment plans and urban renewal plans and undertake and carry out redevelopment and urban renewal projects within the corporate limits of the city in which it functions.
- 2. Enter into any contracts determined by the authority to be necessary to effectuate the purposes of this section. All contracts, other than those for personal or professional services, in excess of \$25,000 are subject to bid and shall be awarded to the lowest qualified and competent bidder. The authority may reject any bid required under this paragraph. The authority shall advertise for bids by a class 2 notice, under ch. 985, published in the city in which the project is to be developed. If the estimated cost of a contract, other than a contract for personal or professional services, is between \$3,000 and \$25,000, the authority shall give a class 2 notice, under ch. 985, of the proposed work before the contract is entered into.
- Within the boundaries of the city, acquire by purchase. lease, eminent domain, or otherwise, any real or personal property or any interest in the property, together with any improvements on the property, necessary or incidental to a redevelopment or urban renewal project; hold, improve, clear or prepare for redevelopment or urban renewal any of the property; sell, lease, subdivide, retain or make available the property for the city's use; mortgage or otherwise encumber or dispose of any of the property or any interest in the property; enter into contracts with redevelopers of property containing covenants, restrictions and conditions regarding the use of the property in accordance with a redevelopment or urban renewal plan, and other covenants, restrictions and conditions that the authority considers necessary to prevent a recurrence of blighted areas or to effectuate the purposes of this section; make any restrictions, conditions or covenants running with the land and provide appropriate remedies for their breach; arrange or contract for the furnishing of services, privileges, works or facilities for, or in connection with a project; temporarily operate and maintain real property acquired by it in a project area for or in connection with a project pending the disposition of the property for uses and purposes that may be deemed desirable even though not in conformity with the redevelopment plan for the area; within the boundaries of the city, enter into any building or property in any project area in order to make inspections, surveys, appraisals, soundings or test borings, and obtain a court order for this purpose if entry is denied or resisted; own and hold property and insure or provide for the insurance of any real or personal property or any of its operations against any risks or hazards, including paying premiums on any insurance; invest any project funds held in reserves or sinking funds or the funds not required for immediate disbursement in property or securities in which savings banks may legally invest funds subject to their control; redeem its bonds issued under this section at the redemption price established in the bonds or purchase the bonds at less than redemption price, all bonds so redeemed or purchased to be canceled; develop, test and report methods and techniques, and carry out demonstrations and other activities, for the prevention and elimination of slums and blight: and disseminate blight elimination, slum clearance and urban renewal information.
- 4. a. Horrow money and issue bonds; execute notes, debentures, and other forms of indebtedness; apply for and accept advances, loans, grants, contributions, and any other form of financial assistance from the city in which it functions, from the federal government, the state, county, or other public body, or from any sources, public or private for the purposes of this section, and give such security as may be required and enter into and carry

out contracts or agreements in connection with the security; and include in any contract for financial assistance with the federal government for or with respect to blight elimination and slum clearance and urban renewal such conditions imposed pursuant to federal laws as the authority considers reasonable and appropriate and that are not inconsistent with the purposes of this section.

- b. Any debt or obligation of the authority is not the debt or obligation of the city, county, state or any other governmental authority other than the redevelopment authority itself.
- c. Issue bonds to finance its activities under this section, including the payment of principal and interest upon any advances for surveys and plans, and issue refunding bonds for the payment or retirement of bonds previously Issued by it. Honds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds of the authority derived from or held in connection with its undertaking and carrying out of projects or activities under this section. Payment of the bonds, both as to principal and interest, may be further secured by a pledge of any loan, grant or contribution from the federal government or other source, in aid of any projects or activities of the authority under this section, and by a mortgage of all or a part of the projects or activities. Bonds issued under this section are not an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction of the state, city or of any public body other than the authority issuing the bonds, and are not subject to any other law or charter relating to the authorization, issuance or sale of bonds. Bonds issued under this section are declared to be issued for an essential public and governmental purpose and, together with interest and income, are exempt from all taxes. Bonds issued under this section shall be authorized by resolution of the authority, may be issued in one or more series and shall bear a date, be payable upon demand or mature at a time, bear interest at a rate, be in a denomination, be in a form either with or without coupon or registered, carry conversion or registration privileges, have rank or priority, be payable in a medium of payment, at a place, and be subject to terms of redemption, with or without premium, be secured in a manner, and have other characteristics, as provided by the resolution, trust indenture or mortgage issued pursuant to the transaction. Bonds issued under this section shall be executed as provided in s. 67.08 (1) and may be registered under s. 67.09. The bonds may be sold or exchanged at public sale or by private negotiation with bond underwriters as the authority provides. The bonds may be sold or exchanged at any price that the authority determines. If sold or exchanged at public sale, the sale shall be held after a class 2 notice, under ch. 985, published before the sale in a newspaper having general circulation in the city and in any other medium of publication that the authority determines. Bonds may be sold to the federal government at private sale, without publication of any notice, at not less than par, and, if less than all of the authorized principal amount of the bonds is sold to the federal government, the balance may be sold at private sale at not less than par at an interest cost to the authority that does not exceed the interest cost to the authority of the portion of the bonds sold to the federal government. Any provision of law to the centrary notwithstanding, any bonds issued under this section are fully negotiable. In any suit, action or proceeding involving the validity or enforceability of any bond issued under this section or the security for any bond, any bond reciting in substance that it has been issued by the authority in connection with a project or activity under this section is deemed to have been issued for that purpose and the project or activity is deemed to have been planned, located and carried out in accordance with this section.
- 5. Establish a procedure for preservation of the records of the authority by the use of microfilm, another reproductive device, optical imaging or electronic formatting, if authorized under s. 19.21 (4) (c). The procedure shall assure that copies of the records that are open to public inspection continue to be available to members of the public requesting them. A photographic reproduction of a record or copy of a record generated from optical disk or electronic storage is deemed the same as an original record for all pur-

poses if it meets the applicable standards established in ss. 16.61 and 16.612.

- 6. Authorize the chalrperson of the authority or the vice chairperson in the absence of the chairperson, selected by vote of the commissioners, and the executive director or the assistant director in the absence of the executive director to execute on behalf of the authority all contracts, notes and other forms of obligation when authorized by at least 4 of the commissioners of the authority to do so.
- 7. Commence actions in its own name. The authority shall be sued in the name of the authority. The authority shall have an official seal.
- 8. Exercise other powers that may be required or necessary to effectuate the purposes of this section.
- Exercise any powers of a housing authority under s. 66.1201 if done in concert with a housing authority under a contract under s. 66.0301.
- (b) 1. Condemnation proceedings for the acquisition of real property necessary or incidental to a redevelopment project shall be conducted in accordance with ch. 32, or any other law relating specifically to eminent domain procedures of redevelopment authorities.
- 3. Where a public hearing has been held with respect to a project area under this section the authority may proceed with such project and the redevelopment plan by following the procedure set forth in ch. 32. Any owner of property who has filed objections to the plan as provided under sub. (6) may be entitled to a remedy as determined by a. 32.06 (5).
- 4. The authority may acquire by purchase real property within any area designated for urban renewal or redevelopment purposes under this section before the approval of either the redevelopment or urban renewal plans or before any modification of the plan if approval of the ecquisition is granted by the local governing body. If real property is acquired, the authority may demolish or remove structures with the approval of the local governing body. If acquired real property is not made part of the urban renewal project the authority shall bear any loss that may exist as a result of the acquisition, detnolition or removal of structures acquired under this section. If the local legislative body has given its approval to the acquisition of real property that is not made a part of the urban renewal project, it shall reimburse the authority for any loss sustained as provided for in this subsection. Any real property acquired in a redevelopment or in an urban renewal area under this subsection may be disposed of under this section if the local goveming body has approved the acquisition of the property for the project.
- (c) 1. Notwithstanding sub. (6), the authority of a 1st class city may acquire any property determined by the authority to be blighted property without designating a boundary or adopting a redevelopment plan. The authority may not acquire property under this subdivision without the approval of the local legislative body of the city in which the authority is located.
- lg. Notwithstanding sub. (6), the authority of any 2nd, 3rd or 4th class city may acquire blighted property without designating a boundary or adopting a redevelopment plan, if all of the following occur:
- a. The authority obtains advance approval for the acquisition by st least a two-thirds vote of the members of the local legislative body in which the authority is located.
- b. The two-thirds approval in subd. Ig. a. shall be by resolution and the resolution shall contain a finding of the local legislative body that a comprehensive redevelopment plan is not necessary to determine the need for the acquisition, the uses of the property after acquisition and the relation of the acquisition to other property redevelopment by the authority.
- 1r. Condemnation proceedings for the acquisition of blighted property shall be conducted under ch. 32 or under any other law relating specifically to eminent domain procedures of authorities. The authority may hold, clear, construct, manage, improve or dis-

pose of the blighted property, for the purpose of climinating its status as blighted property. Notwithstanding sub. (9), the authority may dispose of the blighted property in any mamer. The authority may assist private acquisition, improvement and development of blighted property for the purpose of climinating its status as blighted property, and for that purpose the authority has all of the duties, rights, powers and privileges given to the authority under this section, as if it had acquired the blighted property.

- Before acquiring blighted property under subd. 1. or 1g., the authority shall hold a public hearing to determine if the property is blighted property. Notice of the hearing, describing the time, date, place and purpose of the hearing and generally identilying the property involved, shall be given to each owner of the property, at least 20 days before the date set for the hearing, by certiffed mail with return receipt requested. If the notice cannot be delivered by certified mail with return receipt requested, or if the notice is returned undelivered, notice may be given by posting the notice at least 10 days before the date of hearing on any structure located on the property which is the subject of the notice. If the property which is the subject of the notice consists of vacant land, a notice may be posted in some suitable and conspicuous place on that property. For the purpose of ascertaining the name of the owner or owners of record of property which is subject to a public hearing under this subdivision, the records of the register of deeds of the county in which the property is located, as of the date of the notice required under this subdivision, are conclusive. An affidavit of mailing or posting the notice which is filed as a part of the records of the authority is prima facle evidence of that notice. In the hearing under this subdivision, all interested parties may express their views on the authority's proposed determination, but the hearing is only for informational purposes. Any technical omission or error in the procedure under this subdivision does not invalidate the designation or subsequent acquisition. If any owner of property subject to the authority's determination that the property is blighted property objects to that determination or to the authority's acquisition of that property, that owner shall file a written statement of and reasons for the objections with the authority before, at the time of, or within 15 days after the public hearing under this subdivision. The statement shall contain the mailing address of the person filing the statement and be signed by or on behalf of that person. The filing of that statement is a condition precedent to the commencement of an action to contest the authorily's actions under this paragraph.
- (5m) BONDS TO FINANCE MORTGAGE LOANS ON OWNER-OCCUPIED DWELLINGS. (a) Subject to par. (b), an authority may issue bonds to finance mortgage loans on owner-occupied dwelllngs. Bonds issued under this paragraph may be sold at a private sale at a price determined by the authority.
- (b) The redevelopment authority shall submit the resolution authorizing the issuance of bonds under par. (a) to the common council for review. If the common council disapproves the resolution within 45 days after its submission, no bonds may be issued under the authority of the resolution.
 - (o) The redevelopment authority may:
- Issue mortgage loans for the rehabilitation, purchase or construction of any owner-occupied dwelling in the city.
- Issue loans to any leading institution within the city which agrees to make mortgage loans for the rehabilitation, purchase or construction of any owner—occupied dwelling in the city.
 - Purchase loans agreed to be made under subd. 2.
- (6r) FINANCING OF CERTAIN SCHOOL FACILITIES. (a) Legislative declaration. The legislature determines that the development of new public schools will help alleviate the substandard conditions described in sub. (2) and will promote the sound growth and economic development of cities and enhance the education of youth in neighborhood settings. The legislature determines that the social and economic problems sought to be addressed are particularly acute in more densely populated areas. The legislature desires to make certain financing and economic tools available in

violation by Class "B" licensee, Neil Nelson, 1328 W. State Street. (Page 590).

FILE NUMBER 68-884

Communication from the Police Dept. relative to violation by Class "B" licensee Joseph Vesnetsky, (Fage 651):

by recommending that they be placed on file.

Report adopted and matters ordered on file.

ALD. RAHN-

From the Joint Committee on Buildings Grounds-Harbors and Judiclary-Legislation, reported upon:

FILE NÜMBER 58-489-6

Communication from the Mayor's office relative to proposed bill prepared by the committee on ports and navigation of the Wisconsin Legislative Council. (Page 579.)

by recommending the adoption of the following reso-

FILE NUMBER 68-489-6

Resolved, By the Common Council of the City of Milwaukee, that His Honor the Mayor, the Chairman of the Committees on Buildings Grounds-Harbors and Judiciary-Legislation are hereby authorized and directed to appoint a special committee to attend public hearings in Sheboygan, Wis. on June 30, 1958, and in Superior, Wis. on August 4, 1958 to gain support in opposition to the proposed legislative bill prepared by the Committee on Ports and Navigation of the Wisconsin Legislative Council; and he it

Further Resolved, That a statement of policy, in writing, is to be prepared for said committee.
Adopted.

ALD, RAHN-

From the Joint Committee on Buildings Grounds-Harbors and Finance-Printing presented a report, in favor of adopting the following resolution, viz.

FILE NUMBER 58-901

Resolution relating to conference with the Chicago Regional Office of Urban Renewal for the purpose of effecting transfers of projects to new redevelopment authority when created.

Adopted.

ALD. RAHN-

From the Joint Committee on Buildings Grounds-Harbors and Finance-Printing, reported upon:

FILE NUMBER 58-909

Resolution declaring the existence of need for blight

elimination, slum clearance, and urban renewal programs and projects within city.

by recommending the adoption of the following substitute resolution, viz.:

FILH NUMBER 58-902

Resolution declaring the existence of need for blight elimination, slum clearance, and urban renewal programs and projects within city.

Whereus, The Wisconsin Legislature has enacted Chapter 8, Laws of 1958 (Special Session), relating to the creation of a separate redevelopment authority; and

Whereas, It is required under the provisions of such legislation that the Common Council of the City of Milwaukee by adoption of a resolution by a two-thirds vote of its members present declare that there exists within the City of Milwaukee a need for blight elimination, slum clearance, and urban renewal programs and projects; now, therefore, he it

Resolved, By the Common Council of the City of Milwaukee, that it hereby declares, finds, and determines that there exists within the City of Milwaukee a need for blight elimination, slum clearance and urban renewal programs and projects in accordance with the provisions of the aforereferred to legislation.

ALD. QUIRK moved separate action on the foregoing matter. The motion prevailed.

ALD. QUIRK moved that the Common Council do now resolve itself into a Committee of the Whole for the purpose of hearing from Mr. Harry G. Sister, Deputy City Attorney, relative to the foregoing matter.

The motion prevailed.

ALD, HEIDEN IN THE CHAIR PROCEEDINGS OF THE COMMITTEE OF THE WHOLE

Mr. Slater appeared and addressed the Committee relative to the foregoing matter.

" ALD. MEYERS moved that the Committee of the Whole do now rise, The motion prevailed.

PRESIDENT SCHEEIBER IN THE CHAIR

ALD. HEIDEN from the Committee of the Whole reported that the Committee met and heard from Mr. Harry G. Slater relative to File Number 58-902.

Report accepted and ordered on file.

The report of the Committee was therewoon accepted and the foregoing resolution, as substituted, adopted by the following vote:

Ayes:—Ald. Budzien, Collins, Hass, Heiden, Hoff-

mann, Kelly, Kroenke, Kujawa, Landowski, Mortier, Nowakowski, Phillips, Rahn, Schimenz, Schmit, Whittow Zillman and the President—18.

· Noes:-Ald, Meyers and Quirk-2.

ALD. RAHN-

From the Joint Committee on Buildings-Grounds-Harbors and Finance-Printing, reported upon:

FILE NUMBER 58-903

Resolution relating to a study by an appropriate committee concerning the method by which a staff handles alum clearance and Urban Renewal Projects in several cities.

by recommending the adoption of the following substitute resolution, viz.:

FILE NUMBER 53-903

Resolution relating to a study by an appropriate committee concerning the method by which a staff handles alum clearance and Urban Renewal Projects in several cities.

Whereus, The Legislature has recently enacted a new Unban Renewal Legislation which establishes a redevelopment authority for the purpose of carrying on slum clearance and Urban Renewal Projects; and

Whereas, It is imperative that a study be made concerning the type of staff and the manner in which such staff shall be constituted to effect a constructive Urban Renewal Program; and

Whereas, The cities of Cleveland, St. Louis and Chicago each have a different type of staff organization with respect to carrying on slum clearance and Urban Renewal in their midst; and

Whereas, The cities of Cleveland, St. Louis and Chicago are appropriate cities to be studied in connection with their slum clearance and Urban Renewal Projects and the manner in which their administration staffs handle matters perfaining to slum clearance and Urban Renewal; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the following persons be authorized to visit the cities of St. Louis, Missouri; Philadelphia, Pennsylvania; and Baltimore, Maryland; for the purpose of making a study with respect to the type of staff employed in each of such cities for the purpose of handling slum clearance and Urban Renewal Projects in such respective cities; The President of the Common Council, the Chairman of the Finance-Printing Committee, the Chairman of the Buildings-Grounds-Harbors Committee, the Deputy City Attorney, Mr. Clarence Beernink, and such members of the Buildings-Grounds-Harbors Com-

mittee of the Common Council as signify their intention to make the study by informing the President of the Common Council of that fact; and be it

Further Resolved, That such committee shall prepare a report as soon as they have completed such study by visiting such cities and submit the same to the Common Council; and be it

Further Resolved, That for the purpose of carrying on such study as hereinbefore set forth and to cover travel and other related expenses of the persons above named who are authorized to make such study, there is hereby appropriated out of Fund Account No. 9862-955 Project No. 8783 a sum not to exceed \$250 per person authorized to visit the cities above set forth in this resolution.

Substitute accepted and substitute resolution adopted.

ALD, RAHN-

From the Joint Committee on Buildings-Grounds-Harbors and Finance-Printing reported upon:

FILE NUMBER 58-750

Resolution authorizing consultation with bond counsel relative to proposed urban redevelopment legislation. (Page 604.)

by recommending that it be placed on file.

Adopted.

ALD. RAHN-

From the Joint Committee on Buildings-Grounds-Harbors and Finance-Printing reported upon:

FILE NUMBER 58-904

Resolution providing for selection of membership under the Urban Redevelopment Authority's law.

by recommending that it be indefinitely postponed.
Adopted.

ALD. RAHN-

From the Committee on Buildings-Grounds-Harbors presented reports, in favor of adopting the following resolutions, viz.:

FILD NUMBER 58-500

Reselution directing the Board of Public Land Commissioners to collaborate with the County Park Commission in preparing plans for the development of the southern extension of Lincoln Memorial Drive between B. Russell Avenus and the south city limits. (Page 269.)

Adopted.

FILE NUMBER 58-447

Resolution relating to the request of Approved Homes, Inc. and Clinton R. Taplin to divide Lot 9, Block 8, Alger Subdivision in the southeast 44 of Section 16, Town 6 north, Range 21 east, in the City of Milwaukee. (Page 384.)

Adopted.

Attachment D

Oversight Structure and Legal Authority

GRANT F. LANGLEYCity Attorney

RUDOLPH M. KONRAD LINDA ULISS BURKE VINCENT D. MOSCHELLA Deputy City Attorneys



January 21, 2014

Rocky Marcoux, Executive Director Redevelopment Authority of the City of Milwaukee 809 North Broadway, 2nd Floor Milwaukee, WI 53202

RE: Brownfields Cleanup Revolving Loan Fund (BCRLF) Program

Dear Mr. Marcoux:

ity. Diominicus Chanap Revolving Loan Pana (Deltali) i vogram

In conjunction with the submission of an application to the United States Environmental Protection Agency for a Revolving Loan Fund Grant under the BCRLF Program, we have been asked to provide a legal opinion pursuant to the Guidelines for the BCRLF Program. Our legal opinion is required to address two specific issues; first, the legal authority of the Redevelopment Authority to access and secure sites subject to this Program in the event of an emergency, a default under a loan agreement executed in conjunction with the Program or non-performance under a subgrant. The second is the legal authority of the Redevelopment Authority to perform the actions necessary to manage a revolving loan fund program, including the ability to hold funds, make loans, enter into loan agreements, and collect repayments.

The Redevelopment Authority is a public body corporate and politic organized and existing under the Constitution and laws of the State of Wisconsin and the statutory authority for the exercise of powers by the Redevelopment Authority is set forth in sec. 66.1333, Stats. (the "Blight Elimination and Slum Clearance Act"). The Redevelopment Authority is authorized to exercise all powers necessary or incidental to carry out and effectuate the purposes of the Blight Elimination and Slum Clearance Act, by sec. 66.1333(5), Stats.

Sec. 66.1333(5)(a)3. provides general authority to enter into buildings and property and, in addition to the general statutory powers provided to the Redevelopment Authority with respect to accessing specific properties, we anticipate that the loan agreements and documentation for the implementation of the Program will include specific rights of access for the Redevelopment Authority in the event of an emergency, a default under the loan agreement or for non-performance by a borrower or subgrantee.

The Redevelopment Authority also has the legal authority to perform the actions necessary to manage a revolving loan fund. In addition to the broad grant of powers referenced above, the

THOMAS O. GARTNER STUART S. MUKAMAL THOMAS J. BEAMISH MAURITA F. HOUREN JOHN J. HEINEN SUSAN E. LAPPEN JAN A. SMOKOWICZ PATRICIA A. FRICKER HEIDI WICK SPOERL KURT A. BEHLING **GREGG C. HAGOPIAN** ELLEN H. TANGEN MELANIE R. SWANK JAY A. UNORA DONALD L. SCHRIEFER EDWARD ML EHRLICH LEONARD A. TOKUS MIRIAM R. HORWITZ MARYNELL REGAN G. O'SULLIVAN-CROWLEY KATHRYN Z. BLOCK ELOISA OE LEÓN ADAM B. STEPHENS KEVIN P. SULLIVAN THOMAS D. MILLER JARELY M. RUIZ ROBIN A. PEDERSON CHRISTINE M. QUINN MARGARET C. DAUN JEREMY R. MCKENZIE MARY L SCHANNING PETER J. BLOCK NICHOLAS P. DESIATO Assistant City Attorneys

Rocky Marcoux January 21, 2014 Page 2

Redevelopment Authority has the express power pursuant to sec. 66.1333(5)(a)2. to enter into any contracts determined by the Redevelopment Authority to be necessary in order to accomplish its statutory powers and pursuant to sec. 66.1333(5)(a)4., the express power to apply for and accept loans and grants from the Federal Government and further to include requirements imposed by the Federal Government in conjunction with any such grant program in contracts executed in order to implement programs themselves. In addition to the broad powers conferred generally by sec. 66.1333(5), Stats., the Redevelopment Authority also has a further general power to "exercise other powers that may be required or necessary to effectuate the purposes of the Act as set forth in sec. 66.1333(5)(a)8., Stats.

Accordingly, it is our legal opinion that the Redevelopment Authority has the legal authority to access and secure sites subject to this program in the event of an emergency, a default under an applicable loan agreement or upon non-performance by a borrower or subgrantee. It is further our legal opinion that the Redevelopment Authority has the legal power and authority to perform actions necessary to mange and create a revolving loan fund. In particular, the Redevelopment Authority has the express power to create a program providing for the origination of loans to fund environmental remediation projects, as contemplated by the BCRLF application, and to apply any repayments to the creation and administration of an ongoing revolving loan fund program.

We have prepared this legal opinion for attachment to the Redevelopment Authority's application to the United States Environmental Protection Agency for a Revolving Loan Fund Grant. It is our understanding that this legal opinion will be submitted in conjunction with the application in fulfillment of the requirements set forth for attachments to that application.

Please contact us at your convenience if any further actions are required on our part in conjunction with the finalization of the grant application. We both look forward to working together with the Redevelopment Authority to develop the documentation required by the United States Environmental Protection Agency in order to implement this important program.

Very truly yours,

GRANT HANGLEY City Attornoy

THOMAS O. GARTNER Assistant City Attorney

TOG:lmc

1231-2012-2636:186616

Attachment E Letters of Support



January 14, 2014

Mr. David P. Misky, Assistant Executive Director - Secretary Redevelopment Authority of the City of Milwaukee (RACM) 809 North Broadway, 2nd Floor Milwaukee, WI 53202

Dear Dave,

I'm writing to communicate my enthusiastic support for your application to the Environmental Protection Agency (EPA) for three Brownfield Cleanup Grants, totaling \$520,000, targeted to the Century City development site in the 30th Street Industrial Corridor. I understand that you are also applying for a \$1,000,000 grant to capitalize a Revolving Loan Fund which will support private brownfield redevelopment projects across the City of Milwaukee. These requests will be matched with \$304,000 from local funds.

By way of background, Local Initiatives Support Corporation (LISC) works to transform distressed urban neighborhoods into healthy communities of choice and opportunity, great places to work, do business and raise children. LISC mobilizes corporate and philanthropic support on behalf of local neighborhoods, providing them with loans, grants and equity investments, policy support, and the technical and management assistance and networks they need to realize their goals. LISC is a national organization with local priorities committed to helping neighbors build communities and is the recognized expert in achieving sustainable neighborhood revitalization. Although LISC is known for their expertise in physical development, LISC's approach to building sustainable communities is comprehensive and includes supporting healthy environments and lifestyles, expanding real estate investment, increasing family income and wealth, stimulating economic activity and improving access to education.

LISC is well-positioned to assist RACM in the successful use of these brownfield funds. LISC has a direct connection to neighborhood groups and businesses throughout the City. We are intimately aware of the needs and concerns in specific neighborhoods and can connect residents and businesses to City staff to help prioritize sites for assessment and redevelopment. Through our long-standing partnership with the Redevelopment Authority, LISC is very familiar with brownfield sites throughout the city and their environmental status. We have an understanding of City programs and opportunities; thus we can provide a forum for discussion of specific projects by assisting with scheduling and advertising public meetings.

LISC is interested in seeing neighborhoods thrive and we understand that one of the biggest barriers to urban revitalization in the City of Milwaukee is perceived or actual contamination on land that would otherwise be prime for redevelopment. RACM's Brownfield Redevelopment Program has a successful history of securing assessment and cleanup funding and using these dollars to aggressively investigate and remediate brownfield properties. Redevelopment of these properties results in job creation, increase in the City's tax base which can be utilized for vital services and programs for residents, and the reduction in environmentally hazardous materials which can negatively affect residents' safety and quality of life.

I want to complement RACM for always being very responsive to community input in terms of prioritizing your work in the area of brownfield clean-up and redevelopment. I'm aware of numerous projects, in which LISC has been an investor, where your agency provided the critical resources needed to bring the project to a successful conclusion. I hope that the EPA will acknowledge and reward the effectiveness of your work by awarding you the above-mentioned grants.

LISC enthusiastically supports RACM's application for the above mentioned EPA grants. If awarded, LISC would be a strong partner in the projects and would be willing to engage the surrounding communities to promote the redevelopment of brownfields, therefore, improving the quality of life for Milwaukee residents. If there is anything else I can do to assist you in securing these new resources for Milwaukee, please do not hesitate to contact me.

Sincerely

Leo J. Ries

Executive Director



NORTHWEST SIDE COMMUNITY DEVELOPMENT CORPORATION

Community Relavestment at Work
-Since 1983-

January 22, 2014

4201 North 27th Street Seventh Floor Milwaukee, WI 53216 TEL 414-444-8200 FAX 414-444-8201 Www.nwsedc.org

David Misky
Assistant Executive Director
Redevelopment Authority of the City of Milwaukee
809 North Broadway
Milwaukee, WI 53202

Mr. Misky,

Please accept this letter of support from the Northwest Side Community Development Corporation (NWSCDC) for the four applications of the Redevelopment Authority of the City of Milwaukee (RACM) to the United States Environmental Protection Agency (USEPA). NWSCDC staff understands that RACM is requesting funds for a Revolving Loan Fund and Brownfield Cleanups in three of the southern Century City outlots in Milwaukee.

The NWSCDC is a community development corporation that makes loans and provides technical assistance to area employers, including those within and around the Century City geography. Founded in 1983, the NWSCDC is one of Milwaukee's oldest community development corporations. The NWSCDC is geographically focused on the northwest quarter of the City, which was once the industrial hub of Milwaukee. As a result of the agency's collaborative strategy, the NWSCDC has lent over \$6 million dollars to several catalytic projects on the Northwest Side since 2000. These projects have sparked economic activity and created over 500 jobs in the community. Based on these past efforts, the NWSCDC staff believes there to be no more important catalytic project for the future of the Northwest Side than the redevelopment of the Century City area.

The NWSCDC and the City of Milwaukee collaborated on community planning efforts both in and around Century City, and look forward to the transformation of this sizable brownfield into a sustainable, job-producing business park benefiting local neighborhoods and the entire region.

Given RACM's successful history of using public funds for transformative efforts, such as the nationally awarded Menomonee Valley project, the NWSCDC enthusiastically supports RACM's current USEPA grant applications. The NWSCDC would serve as a valuable partner for RACM's redevelopment efforts, and will continue to collaborate with the City of Milwaukee to enhance the business environment for the Northwest Side.

Sincerely.

Executive Director



January 17, 2014

David P. Misky
Assistant Executive Director - Secretary
Redevelopment Authority of the City of Milwaukee
809 North Broadway
Milwaukee, WI 53202

Dear Dave,

On behalf of Menomonee Valley Partners, Inc. (MVP), I am writing to offer our support for the Redevelopment Authority of the City of Milwaukee's (RACM) application to the EPA for \$1,000,000 revolving loan fund. Providing RACM funds necessary for due diligence and remediation is critical to the successful redevelopment of distressed areas of the city. The Menomonee Valley is testament to RACM's ability to successfully use these funds to revitalize brownfield properties.

MVP is a non-profit organization with a mission to revitalize Menomonee Valley for the benefit of the entire Milwaukee community. During the latter half of the 20th century, the Valley was often known as "Wisconsin's worst eyesore," a highly visible area alongside I-94 and I-43 with hundreds of acres of vacant and contaminated land. Today, through the assistance of RACM and the EPA, the Menomonee Valley is one of Wisconsin's greatest success stories. Public investments have led to the assessment and remediation of many of the Valley's brownfields, while planning efforts focused on redevelopment has created good manufacturing jobs and improved the ecology of the Menomonee River Valley. Today, the Valley is a national model visited by leaders from other cities as a benchmark for successful urban development.

To date, the Valley's redevelopment has remediated more than 300 acres of brownfields with the help of EPA brownfields funds. These projects have led to the development of 39 new businesses, which have created more than 5,200 new jobs in the Valley since 1999. These developments represent more than \$640 million in private investments in the buildings themselves, in addition to the wages paid. In addition, the Valley now has more than 45 acres of parks and trails, and attracts more than 10 million visitors annually to destinations including the Harley-Davidson Museum, the Potawatomi Bingo Casino, and Miller Park, all former brownfield sites.

While these projects are remarkable accomplishments for a decade of joint efforts, there remain more than 75 acres of brownfields in the Menomonee Valley poised for future redevelopments. These sites will also need remediation in order to pave the way for future development, and, with the assistance of these funds, have the potential to become economic drivers for the state's economy. Through our partnership with RACM and others, we continue to make progress on the goal of remediating and redeveloping all the brownfields in the Menomonee Valley.

MVP is happy to support RACM's grant application for \$1,000,000 for the revolving loan fund. RACM's success in securing these grants will further efforts to assess, remediate, and successfully redevelop properties in the Menomonee Valley and throughout Milwaukee.

We look forward to a continuing partnership in the revitalization of the greater Menomonee Valley area. If you have any questions, please feel free to contact me at the number below.

Sincerely,

*y*aura Bray Executive Director



January 15, 2014

Redevelopment Authority of the City of Milwaukee Attn: David Misky 809 N. Broadway Milwaukee, WI 53202

Dear Mr. Misky:

I am writing to express the Metropolitan Milwaukee Association of Commerce's (MMAC) support for the Redevelopment Authority of the City of Milwaukee's (RACM) Brownfields Grant Application to the US Environmental Protection Agency.

The MMAC represents nearly 2,000 businesses employing over 400,000 workers in the metropolitan Milwaukee area. We are also a founding partner of the Milwaukee 7 regional economic development partnership in southeastern Wisconsin. As such, we have a keen appreciation for the fact that one of the biggest barriers to urban revitalization projects in the City of Milwaukee is perceived or actual contamination on land that would otherwise be prime for redevelopment.

RACM's Brownfield Redevelopment Program has a successful history of securing assessment and cleanup funding and using these dollars to aggressively investigate and remediate brownfield properties. Redevelopment of these properties results in job creation, increases the City's tax base and reduces environmentally hazardous materials which can negatively affect residents' safety and quality of life throughout our region.

The MMAC wholeheartedly supports RACM's efforts to pursue a FY 2014 Brownfield Revolving Loan Fund Grant from the EPA. The funding and support RACM has received in the past has made a large impact on the development potential of many properties in the City of Milwaukee. We anticipate that additional grant funds will allow even more progress in the cleanup and redevelopment of contaminated properties throughout the metropolitan Milwaukee area.

Sincerely

Timothy R. S President



January 13, 2014

David Misky, Assistant Executive Director - Secretary Redevelopment Authority of the City of Milwaukee 809 North Broadway, 2nd Floor Milwaukee WI 53202

RE: Letter of Support for Redevelopment Authority of the City of Milwaukee's EPA Brownfields Funding Request

Dear Mr. Misky:

The 30th Street Industrial Corridor Corp. (The Corridor) is an enthusiastic supporter of the Redevelopment Authority of the City of Milwaukee (RACM) in its application for EPA brownfield assessment funds, specifically:

- Revolving Loan Fund: \$1,000,000 + \$200,000 private match
- Cleanup at 2537 W Hopkins St (A Century City Outlot): \$200,000 + \$40,000 local match
- Cleanup at 2642 W Hopkins St (A Century City Outlot): \$200,000 + \$40,000 local match
- Cleanup at 3424 N 27th St (A Century City Outlot): \$120,000 + \$24,000 local match

The Corridor is a 20-year old nonprofit organization that works to restore and maintain the economic vitality of the area and to stimulate economic growth in the community. The Corridor works to retain businesses and foster expansion in the area, resulting in family-supporting jobs. The location is in a particularly challenging area of Milwaukee, where poverty and unemployment are much higher than the city average. The area struggles with environmental contamination due to having the most current and former industrial sites. Esser Paint and Tower Automotive (Century City) are fairly well-known contaminated sites. The Corridor area is often regarded as an area of greatest need in Milwaukee. RACM's brownfield remediation work results in parcels that provide economic opportunities and ultimately jobs for area residents.

The Corridor has a creative program to market former brownfield properties in 2014. By working with RACM, many new properties are in progress of becoming market ready due to EPA Assessment and Cleanup grant funds. Specific examples include:

- Cleanup project at 30th & North: contaminated soil pile had been an eyesore for a long time. Now the site is ready for commercial redevelopment along the up-and-coming North Avenue corridor.
- Cleanup project at 2227 N 31st St: CVOC and petroleum contamination cleaned up to residential standards and now ready for redevelopment.



- Cleanup project at 31st & Galena: innovative enhanced bioremediation project using natural products (corn syrup and vegetable oil) to enhance naturally occurring degradation of very high levels of chlorinated solvent contamination.
- Assessment work at more than 40 smaller city-owned or tax-delinquent brownfield sites, including 3116 W
 Cherry (now providing additional, well-landscaped parking for a local health care company), 4101 N 31st St (undevelopable parcel now ready for a stormwater management project), and 2011 N 30th St (leaking underground storage tanks removed, making it possible for a local neighborhood developer to progress with redevelopment plans for an assisted-living development).

The 30th Street Industrial Corridor is well-positioned to assist RACM in the successful use of these brownfield funds. The Corridor already works closely with both large and small area businesses. As business expansion opportunities arise, the Corridor works with City staff on real estate needs. Also due to our long partnership with RACM, the Corridor is well aware of brownfield sites in the area, as well as their environmental status, so we can make informed recommendations to businesses for site selection opportunities. The Corridor understands City programs and opportunities, including the Wisconsin State 75.106 Statute that allows for transfer of privately-owned, tax-delinquent property to a new owner. The Corridor has regular meetings with businesses in the area, which may also be used as a forum for discussion on brownfield cleanup projects. The Corridor can also facilitate meetings with specific business owners.

The 30th Street Industrial Corridor is grateful for RACM's work remediating brownfields. It leads to economic opportunity in an area of greatest need. The Corridor strongly supports RACM's EPA grant applications. The Revolving Loan Fund grant will support private brownfield redevelopment projects across the City of Milwaukee. The three cleanup grants are focused on the southern Century City outlots at 27th St and Townsend, and will provide funding to assist in their eventual redevelopment as a combination of residential mixed use and green space that will complement the Century City Business Park.

Please contact me at 414.217.1769 or Gloria@theCorridor-mke.org if you have any further questions or comments.

Sincerely,

Gloria Stearns
Executive Director

30th St Industrial Corridor/BID #37



Scott Walker Governor

Kitty Rhoades Secretary

State of Wisconsin

Department of Health Services

1 WEST WILSON STREET P O BOX 2659 MADISON WI 53701-2659

> 608-266-1251 FAX: 608-267-2832 TTY: 888-701-1253 dhs.wisconsin.gov

January 21, 2014

Mr. David P. Misky Assistant Executive Director-Secretary Redevelopment Authority of the City of Milwaukee 809 North Broadway Milwaukee, WI 53202

Dear Mr. Misky,

The Wisconsin Department of Health Services (DHS) is pleased to support the Redevelopment Authority of the City of Milwaukee (RACM) in their application for USEPA Brownfields funding. Our agency has staff with substantial experience in assessing brownfields in communities throughout Wisconsin. Milwaukee, with a large inventory of vacant industrial buildings, has brownfield assessment and redevelopment needs among the largest in Wisconsin.

It is my understanding that RACM will apply for three site-specific Cleanup grants and a community-wide grant supporting RACM's brownfield cleanup Revolving Loan Fund (RLF). You detail four riverfront properties in Milwaukee with these funds in mind. In our past experience assisting RACM with brownfields assessment, it is our experience that remediation of riverfront properties such as these have a linchpin effect in the improvement of blighted areas due to the focal nature of waterways. Furthermore, the removal of soil and groundwater contaminants from upland areas is essential to improving those waterways, restoring fish habitats used by local anglers, and improving both human and ecological health. To these ends, DHS strongly endorses RACM's application for funding to assist with these brownfields projects.

Sincerely,

Robert Thiboldeaux, PhD

Talke of Many

Senior Toxicologist

Wisconsin Department of Health Services,

MICHAEL J. MURPHY

ALDERMAN, TOTH DISTRICT

Čity Hall, Room 205 200 East Wells Street Milwaukee, WI 53202

Phone (414) 286-3763 Fax (414) 286-3456

e-mail: mmurph@milwaukee.gov website: www.milwaukee.gov/district10

CHAIR:
Employes' Retirement System Investment Committee
Finance & Personnel Committee
Housing Trust Fund Advisory Board
Milwaukee Arts Board

MEMBER: Steering & Rules Committee Zoning, Neighborhoods & Development

January 17, 2014

Mr. David P. Misky
Assistant Executive Director-Secretary
Redevelopment Authority of the City of Milwaukee
809 North Broadway
Milwaukee, WI 53202

Dear Mr. Misky:

On behalf of the Finance and Personnel Committee of the City of Milwaukee Common Council, I am pleased to support the Redevelopment Authority of the City of Milwaukee's (RACM) applications for USEPA brownfields funding. The Common Council understands RACM will be applying for a Community-wide Hazardous Assessment Grant, three Site-specific Cleanup Grants for properties in the Century City area, and a Brownfield Cleanup Revolving Loan Fund Grant.

As Chair of the Finance and Personnel Committee, I head the committee which considers the city of Milwaukee budget. On this committee's recommendation, the Common Council recently approved the 2014 city budget, which has been signed by the Mayor. Included in the proposed budget is a line item for \$500,000 to be allocated for the Brownfields Program. The Common Council understands the importance of brownfields assessment and cleanup to reduce blight and encourage development in the City of Milwaukee. These funds, along with EPA funds and other federal, state and local funding will move brownfields projects from assessment through remediation and redevelopment to ensure projects are well-funded through completion.

Please feel free to call me directly at 286-3763 if you would like to discuss this matter in more detail.

Sincerely

Alderman Alger District



Scott Walker Governor

Reed E. Hall Secretary and CEO

January 22, 2014

David Misky
Assistant Executive Director-Secretary
Redevelopment Authority of the City of Milwaukee
809 North Broadway, Second Floor
Milwaukee, WI 53202

Dear Mr. Misky:

The Wisconsin Economic Development Corporation (WEDC) very strongly supports the applications submitted by the Redevelopment Authority of the City of Milwaukee (RACM) with funds from the United States Environmental Protection Agency Clean-up Grants. WEDC is the state's lead economic development organization and serves Wisconsin's businesses and communities by strategically targeting resources that will strengthen and promote our economy.

WEDC is proud of the partnerships developed and maintained with RACM to promote the assessment, cleanup and reuse of blighted and contaminated properties within the City of Milwaukee. This partnership--which has included financial assistance through the Wisconsin Brownfield Grant Program and more recently through a \$1,000,000 Idle Industrial Sites Redevelopment Grant for the Century City property--has demonstrated success in putting properties back to productive use while addressing serious health and safety concerns to the residents of Milwaukee. It is our understanding that the Redevelopment Authority of the City of Milwaukee will be submitting applications to request the following funding from the EPA:

- Revolving Loan Fund: \$1,000,000
- Cleanup at 2537 W Hopkins St (Century City Outlot): \$200,000
- Cleanup at 2642 W Hopkins St (Century City Outlot): \$200,000
- Cleanup at 3424 N 27th St (Century City Outlot): \$120,000

The environmental assessment, remediation and redevelopment of the aforementioned properties will provide strong economic development opportunities for the community that will include full-time job creation and expand the community's industrial base. WEDC is grateful for the opportunity to support the Redevelopment Authority of the City of Milwaukee's effort in applying for five United States Environmental Protection Agency Grants that could provide much needed resources to assist in their efforts to address difficult properties that hinder economic growth within the city.

With best regards,

Reed E. Hill

Reed E. Hall Secretary & CEO



WISCONSIN HOUSING AND ECONOMIC DEVELOPMENT AUTHORITY

201 West Washington Avenue, Suite 700 Madison, Wisconsin 53703-2727

Post Office Box 1728 Madison, Wisconsin 53701-1728

Telephone: 608.266.7884 **a** 800.334.6873 Facsimile: 608.267.1099 **a** www.wheda.com

January 16, 2014

David P. Misky Assistant Executive Director-Secretary Redevelopment Authority of the City of Milwaukee 809 North Broadway Milwaukee, WI 53202

Dear Mr. Misky,

On behalf of the Wisconsin Housing and Economic Development Authority, I strongly support the Redevelopment Authority of the City of Milwaukee applications to the United States Environmental Protection Agency (EPA) for Brownfield Cleanup and Revolving Loan Fund grants. WHEDA, along with its partners, continue to expand its commitment to Transform Milwaukee, which includes the Century City area.

As you are aware, Transform Milwaukee is an initial two year \$200 million public-private partnership focusing on restoring economic prosperity to the industrial, residential and transportation areas connecting the City of Milwaukee's 30th Street Industrial Corridor, Menomonee Valley, Port of Milwaukee and the Milwaukee Aerotropolis located south of General Mitchell Airport. The revitalization of the 30th Street Industrial Corridor and the Century City Business Park development is a priority for WHEDA and the Transform Milwaukee initiative. It is our understanding that the Redevelopment Authority of the City of Milwaukee will be submitting applications to request the following funding from EPA:

- Revolving Loan Fund: \$1,000,000 + \$200,000 private match
- Cleanup at 2537 W Hopkins St (A Century City Outlot): \$200,000 + \$40,000 local match
- Cleanup at 2642 W Hopkins St (A Century City Outlot): \$200,000 + \$40,000 local match
- Cleanup at 3424 N 27th St (A Century City Outlot): \$120,000 + \$24,000 local match

The proposed projects will, either directly or indirectly, support the five primary strategies of Transform Milwaukee. The five primary strategies of Transform Milwaukee are:

- Expand business development and innovation with new and existing financing resources to spur job creation.
- Reduce the number of foreclosed and vacant properties to make neighborhoods more desirable for housing and business development.
- Foster partnerships between state agencies and nonprofit community groups to increase job training, skills enhancement and educational opportunities.
- Create storm water runoff conveyance systems bioswales as an alternative to storm sewers to prevent future flooding events.
- Direct resources to established intermodal transportation infrastructure -- water, air, rail, and highway systems.

The Revolving Loan Fund grant will support private brownfield redevelopment projects across the City of Milwaukee. The three brownfield cleanup grants are focused on the southern Century City outlots and will provide funding to assist in their eventual redevelopment as a combination of residential mixed use and green space that will complement the Century City Business Park. As companies move into the park, there will be increased employment opportunities for workers in the surrounding neighborhoods. As employment opportunities increase, the number of foreclosures will be reduced. The Park will spur more economic growth in the neighborhoods and blighted and vacant lots will be replaced with community green spaces, new homes, or other retail or commercial enterprises.

The completion of the Park and outlot cleanup will compliment the work that is being done by the Milwaukee Metropolitan Sewage District (MMSD) to mitigate flooding in the 30th Street Industrial Corridor from large storm events by increasing detention capacity and providing a greenway to facilitate surface runoff. WHEDA understands the importance of addressing the flooding in order to ensure business and residents feel confident about living and investing in the 30th Street Industrial Corridor and the surrounding neighborhoods. WHEDA provided \$250,000 in support to MMSD for their Stormwater Greenway Planning and Design to provide a linear value generator while mitigating large storm events. These types of partnerships are critical to the continued success of Transform Milwaukee.

In addition to providing support to MMSD, WHEDA has and will continue to invest in the 30th Street Industrial Corridor and the Century City redevelopment through a variety of WHEDA programs and partnerships with other organizations. For instance, as part of the Neighborhood Renewal and Growth Initiative, WHEDA has earmarked \$1.7 million in loans to the Northwest Side Community Development Corporation (NWSCDC) to stabilize the housing market in the neighborhoods surrounding the Century City core. Under this initiative, NWSCDC purchases delinquent mortgages and attempts to restructure them such that borrowers can stay in their homes. Additionally, NWSCDC purchases and repairs blighted and abandoned homes, returning them to the City's useful housing stock and tax base.

We must continue to foster a strong collaboration between federal, state, local and private funds in order to package resources that will help grow businesses and restore central Milwaukee to a vibrant place in which to live and work. To that end, I fully support RACM's proposal for Brownfield Cleanup and Revolving Loan Fund grants that would provide much needed resources to the City of Milwaukee.

Kind regards,

Wyman B. Winston Executive Director

Appendix 3 Other Factors Checklist

Name of Applicant: Redevelopment Authority of City of Milwaukee (RACM)

Please identify (with an X) which, if any of the below items apply to your community or your project as described in your proposal. To be considered for an Other Factor, you must include the page number where each applicable factor is discussed in your proposal. EPA will verify these disclosures prior to selection and may consider this information during the selection process. If this information is not clearly discussed in your narrative proposal or in any other attachments, it will not be considered during the selection process.

	Other Factor	Page#
	Community population is 10,000 or less	
	Federally recognized Indian tribe	
	United States territory	
	Applicant will assist a Tribe or territory	
	Targeted brownfield sites are impacted by mine-scarred land	
	Targeted brownfield sites are contaminated with controlled substances	
	Recent natural disaster(s) (2006 or later) occurred within community, causing	
<u> </u>	significant community economic and environmental distress	
	Project is primarily focusing on Phase II assessments.	:
	Applicant demonstrates firm leveraging commitments for facilitating brownfield	
	project completion by identifying amounts and contributors of funding in the	6,10
	proposal and have included documentation	
	Community experienced manufacturing plant closure(s) (2008 or later) tied to the	
	targeted brownfield sites or project area, including communities experiencing	1,2
	auto plant closures due to bankruptcy or economic disruptions.	1
	Recent (2008 or later) significant economic disruption (unrelated to a natural	
	disaster or manufacturing/auto plant closure) has occurred within community,	2,3
	resulting in a significant percentage loss of community jobs and tax base.	
	Applicant is a recipient or a core partner of a HUD-DOT-EPA Partnership for	
	Sustainable Communities (PSC) grant that is directly tied to the project area, and	
	can demonstrate that funding from a PSC grant has or will benefit the project	
	area. To be considered, applicant must attach documentation which	
	demonstrates this connection to a HUD-DOT-EPA PSC grant.	·····
	Applicant is a recipient of an EPA Brownfields Area-Wide Planning grant	***************************************
$\sqrt{}$	Community is implementing green remediation plans.	7,10-11,13
\checkmark	Climate Change	10-11,12